Optimising support

Formative evaluation of the Regional Infrastructure Fund

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Glossary

Abbreviation	Stands for
CBA	Cost-benefit analysis
CCO	Council-controlled organisation
CCTO	Council controlled trading organisations
CRHL	Crown Regional Holdings Limited
CRM	Customer relationship management
DD	Drop down box
EBITDA	Earnings before interest, taxes, depreciation, and amortisation
FIAF	Financial Instrument Assessment Framework
FTE	Full-time equivalents
GDP	Gross domestic product
GM	General manager
HR	Human resources
LGFA	Local government funding agency
LTP	Long-term plan
MBIE	Ministry of Business, Innovation and Employment
N	Number box (for forms) or number of respondents (for survey results)
NGO	Non-governmental organisations
NIBD	Net interest-bearing debt
OAG	Office of the Auditor General
OBEGAL	Operating balance excluding gains and losses
PGF	Provincial Growth Fund
RB	Radial box
RD	Regional development
RDMG	Regional Development Ministerial Group
RFP	Request for proposal
RIF	Regional Infrastructure Fund
SLT	Senior leadership team
T	Text box

Executive summary

We were engaged between March and October 2025 by the Ministry of Business, Innovation and Employment (MBIE) to undertake a formative evaluation of the Regional Infrastructure Fund (RIF) early in its delivery. At the time of writing, the $1.2 billion fund, established as part of Budget 2024, has been partly allocated. The first project funded under the RIF has completed a post-delivery report, as required under the monitoring and evaluation framework developed for the fund, alongside this formative evaluation.

Most areas were performing as expected at this stage of implementation, except for reporting and learning, which had initially been slightly below expectations as aspects were being developed but have since improved, and the overall process, which exceeded expectations. As noted, while support and engagement generally met expectations, integration across Kānoa teams could be improved.

The purpose of the evaluation is to ensure that the RIF is set up and operating effectively to achieve its intended outcomes.

We drew on key internal and public material, interviews with stakeholders and a wider survey

We conducted a review of key relevant documents, structured interviews with Kānoa teams and applicants across a broadly representative geographic and sectoral sample and supplemented these findings with a wider survey.

Kānoa's existing systems and approaches have been leveraged, with integration, consistency, transparency, communication, and timeliness identified as important areas of focus

Overall, we found that in most areas, performance was as expected for this stage of implementation. Specifically, the RIF builds on Kānoa's established systems and processes, applying them to the fund's specific objectives. The RIF appears to be highly supported, but also somewhat dependent on Kānoa engagement leads for identifying opportunities and supporting applicants in their interactions with the fund. There was a lot of praise for the Kānoa staff that applicants engaged with. However, further work is needed to improve integration across teams within Kānoa and to improve the consistency in how applications are managed, including in their assessment, decision-making, and communication throughout the wider process. The envisaged integration and consistency would likely be reinforced through clearer guidance on eligibility, evaluation, and reporting practices. Improvements in communication should also be prioritised, along with measures to support more timely decision-making.

Five high-level recommendations

We group our more detailed recommendations across the areas (provided below) into the following high-level recommendations:

1. Strengthen integration, knowledge management, and governance at the fund level to consistently apply best practice and improve data quality, enable performance tracking, and support long-term learning.

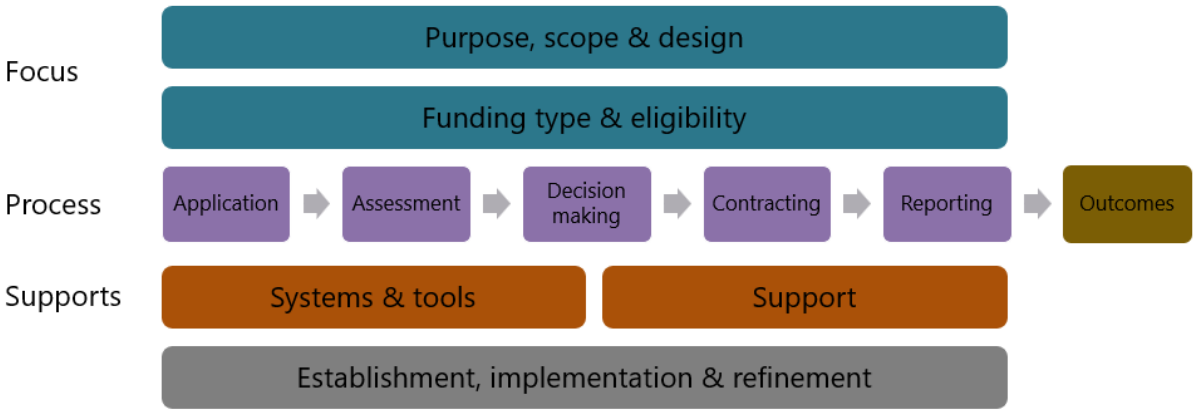
2. Clarify the RIF's scope and eligibility criteria, especially distinctions between project types, co-funding requirements, investment size, and treatment of funding/applicant types.
3. Improve transparency in application assessment and decision-making, including the RIF Financial Instrument Assessment Framework.
4. Streamline application systems and improve usability where possible, such as sufficient character limits, reliability, saving and sharing functionality, allowing macrons, and dynamic form logic.
5. Reduce the administrative burden on applicants, especially smaller applicants, community organisations, or lower risk projects by scaling application complexity to project size, risks, and phase.

We examined aspects of the RIF's focus, process, supports and implementation against their importance, performance and opportunities for improvement

We organised our analysis around key areas of focus. Our work examined these focus areas through the following dimensions:

- **Importance to outcomes:** whether the area is: i) relevant, ii) important, or iii) critical to achieving intended outcomes.
- **Performance expected:** whether performance has been: i) under, ii) met, or iii) exceeded expectations at this stage of implementation.
- **Opportunities for improvement:** whether there are: i) none, ii) some (/easier to implement), or iii) significant (/more difficult to address) opportunities for improvement.

Figure 1: How we organised the areas examined



Our high-level assessments across key areas of focus

A summary of our assessments across these focus areas is provided below, followed by more detail as to what appears to be working well, the challenges and potential opportunities identified, and our associated recommendations.

Table 1: Summary assessments across focus areas examined

Focus areas	Importance to outcomes	Performance expected	Opportunities for improvement
Purpose, scope and design	Important	Met	Some
Establishment, implementation and refinement	Important	Met	Some
Application and overall process	Critical	Exceeded	Some
Systems and tools	Important	Met	Some
Assessment, decision-making and contracting/agreements	Critical	Met	Some to Significant
Funding types and eligibility	Critical	Met	Some to Significant
Reporting and learning	Critical	Under to Met	Some
Support and engagement	Critical	Met	Some to Significant
Outcomes: perceived effectiveness and impact	Critical	Met	None

We found the following against the focus areas in Table 1:

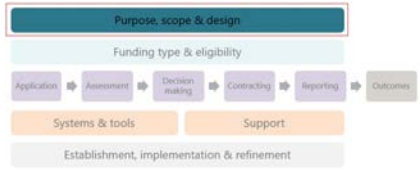
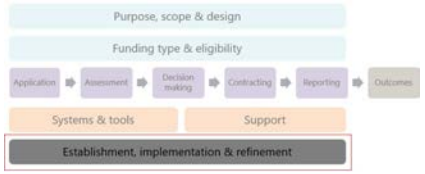
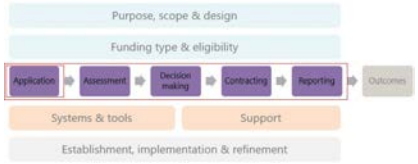
- **Importance to outcomes:** the purpose, scope and design, systems and tools, and establishment, implementation, and refinement were all important, while other areas were considered more critical to achieving the intended outcomes.
- **Performance expected:** most areas were performing as expected at this stage of implementation, except for reporting and learning, which had been initially below expectations when reporting arrangements were being established but have since improved, and the overall process, which exceeded expectations. As noted, while support and engagement generally met expectations, integration across Kānoa teams could be improved.
- **Opportunities for improvement:** aside from outcomes, where it is too early to make significant recommendations, we identified some level of opportunities across the focus areas. Many of these were interrelated, with potentially more significant or complex opportunities relating to assessment, contracting/agreements and decision-making, funding types and eligibility, and, as noted, support and engagement.

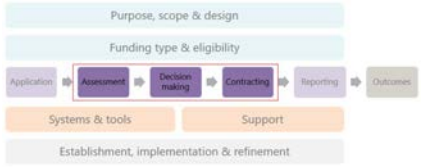
While it may seem unusual that some areas we assessed as performing as expected—or even exceeding expectations—still show moderate to significant opportunities for improvement, this reflects our view that areas should ultimately be operating as well as possible. The opportunities therefore focus on shifts toward what could be considered optimal performance.

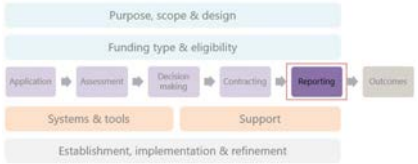
Positives, challenges and recommendations across focus areas

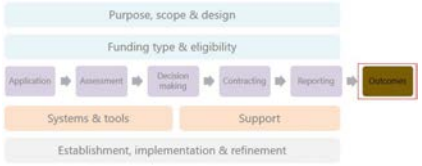
Informed by our survey, focused interviews and document review, the following summarises the positives, challenges and recommendations across our areas of focus.

Table 2: Summary positives, challenges and recommendations across focus areas examined

Area examined	Positives	Challenges	Recommendations
Purpose, scope and design 	• Online material accessible. • Kānoa advisor support. • Monitoring and evaluation framework. • Value of government support in this area.	• Sense of an evolving and ambiguous focus. • Complex eligibility and unclear how aspects are evaluated. • Potential uneven application/evaluation.	• Clearer communication of fund eligibility criteria/requirements and how applications are evaluated. • Internal and external guidance on these supported by efforts to ensure consistency.
Establishment, implementation and refinement 	• Leveraged existing systems and approaches. • Established governance, delegations and ways of working. • Improved ease of interface with Ministers, and initiatives to improve integrations across teams.	• Still issues around integration across teams and consistency of practices. • Lack of common data definitions or understanding of how certain information was used.	• Further improve integration across teams, clarity of roles and consistency of practices.
Application and overall process 	• Process had clear stages. • Support provided by Kānoa contacts. • Online and available to see.	• A sense of multiple channels into and through the RIF process and its decision-makers that were not transparent. • Placed resourcing pressures on applicants.	• Agree appropriate and consistent communication channels. • Consider opportunities to improve timeliness and transparency, and temper the

Area examined	Positives	Challenges	Recommendations
		• Some concerns over timeliness and lack of communication.	requirements relative to the likelihood of success.
Systems and tools	• Generally felt these were clear and easy to navigate, particularly with Kānoa contact support. • Templates and confirmations.	• Some stakeholder concerns over the process and a small number on the level of commercial expertise. • Specific concerns over the application form (e.g. text limitations, lack of saving function, and inability to use macrons). • Potential inconsistencies in practices.	• Review functionality of application form and other templates. • Consider commercial training/expertise available in Kānoa.
Assessment, decision-making, and contracting/agreements 	• Support from Kānoa contacts. • Some felt guidance was clear. • Evaluation template and standard contract being available. • Established cadence of decision-making meetings.	• A sense that assessments were not transparent, that timing often changed (particularly at contracting) and that there was a lack of communication. • Some concerns over contracting terms.	• Improve transparency of decision-making by publishing key elements of application evaluations. • Improve communication on progress. • Check the need for various requirements and try to improve the flow of decisions and execution of agreements where possible.
Funding types and eligibility	• Early decision on how the *Before the Deluge 2.0* projects would be treated supported these progressing.	• A sense of shifting focus and slight unclarity around what funding arrangements might be open to particular applicants.	• Make public the RIF Financial Instrument Assessment Framework with context on its use.

Area examined	Positives	Challenges	Recommendations
		• Eligibility quite complex and not well understood. • Concerns over Crown powers under funding agreements.	• Clarify how application evaluation criteria are considered and applied. • Review terms of funding agreements and clarify when powers might be used.
Reporting and learning 	• Process felt to be clear and potentially less onerous than other sources of government funding. • Monitoring and evaluation framework. • Reporting templates and established cadence of reporting.	• Sense of evolving and unclear requirements initially, with expected high responsiveness placing pressure on applicants. • Some felt a lack of clarity on the level of detail required. • Outcomes reporting needs to be understood in the context of other external implications and costs/impacts. • Opportunities to apply learnings may be less embedded.	• Kānoa considers how it can leverage its monitoring and evaluation insights in how it works across teams and manages the RIF. • Kānoa examines RIF outcomes in the context of other potential costs/impacts (e.g. environmental impacts, opportunity costs).
Support and engagement 	• Kānoa contacts for applicants. • Openness to feedback.	• Experiences heavily shaped by individual Kānoa staff, risking inconsistency. • Communication and transparency.	• Identify best practices in applicant engagement. • Leverage local contacts and apply consistent approaches with improved transparency and communication.

Area examined	Positives	Challenges	Recommendations
Outcomes: perceived effectiveness and impact 	• Accelerating projects. • Enabling critical investment. • Boosting resilience and growth. • Supporting employment.	• Uncertainty over whether RIF funding always necessary. • Unclear how well integrated across government agencies. • Whether approaches consider/allow for sufficient differences in circumstances.	• Clarify and ensure consistency in how Kānoa considers and assesses eligibility relative to the need for projects to access funding in order to progress, and how this criterion is considered relative to others. • Consider opportunities to coordinate further across government agencies.

Answers to high-level questions asked

We were asked a number of high-level questions from the monitoring and evaluation framework, with our high-level answers for these set out below:

Table 3: High-level answers to core questions from the request for proposal

Question/consideration	Answer
Worked well	• Kānoa staff's support has helped applicants make their case. • Setting out focus areas provided clear areas that were in scope and able to be explored for support. • Leveraging systems and work to date has enabled projects to be progressed quickly. • Providing templates enabled people to understand requirements.
Not worked so well	• Stakeholders were not always clear on the fund requirements or the settings and eligibility criteria for the RIF. • Concerns were raised over contracting terms and timeframes. • Iterations of reporting requirements and information sought at short notice had implications for applicants.
Challenges and how effectively these were responded to	• Accessing and using online forms was a problem in certain instances. The solution in some cases was to provide editable PDF versions, but this creates issues for data management further down the line. • Integration across teams has been a challenge. The establishment of tiger teams and regular meetings, drawing across Kānoa teams, attempts to address this.
Early assumptions proven true	The assumption that the projects in the *Before the Deluge 2.0* report were ready to progress was true and meant these were able to be progressed quickly.
Early assumptions not proven true	• The assumption that the terms "infrastructure" or "hard infrastructure" were broadly understood or could be consistently interpreted has not always been the case. • The assumption that some projects were "shovel-ready" has not always been the case. • The assumption that contracting could be progressed in time for upcoming construction windows has not always proven true. • The assumption that aspects of the application evaluation template and supporting processes would result in consistent treatment across applications does not appear to always have been true.
Liked about the RIF	The support from Kānoa staff and the ability to progress projects were the most liked aspects of the RIF.
Disliked about the RIF	The impost of (early) reporting requirements, timeliness of contracting processes, and Kānoa powers in contracts were most disliked.

Question/consideration	Answer
How well are staff working together?	Stakeholders had mixed views on this. The effectiveness of working practices has been an issue that some feel is improving, but we feel improving this further would add significant value.
Early inputs, outputs and outcomes	As of 14 September, nine projects have been completed with two project completion reports completed. Work across 60 contracted projects (with a value invested of $208.1 million) is being completed with direct, indirect and indued GDP of $285 million. Employment (80 FTE) and resilience impacts relating to flood defence (defence for 201 structure, 254 km of road/rail, and over 775,000 ha of land) are already being seen or anticipated.

Part 1: Context to our evaluation

1. Introduction

This section sets out the context and scope for our formative evaluation, as well as limitations that apply to our findings, and the outline for the remainder of this report.

1.1 Context

The Regional Infrastructure Fund (RIF) is a $1.2 billion fund agreed to as part of Budget 2024 (Ministry of Business, Innovation and Employment, 2024g), giving effect to the coalition agreement between the National Party and New Zealand First (New Zealand National Party & New Zealand First, 2023). It is managed by Kānoa (alongside 11 other active funds it has a role in),[1] with Crown Regional Holdings Limited (CRHL)[2] holding debt and equity investments (Ministry of Business, Innovation and Employment, 2024a).

As part of the RIF's establishment, Cabinet noted/agreed that (Ministry of Business, Innovation and Employment, 2024a):

- funds were intended to be available for projects from 1 July 2024, and all RIF funds fully allocated to projects by quarter three of 2026
- work had been undertaken to build on lessons learned from the review of previous regional development funds (noting those by the Office of the Auditor General and the Treasury)
- eligibility criteria (inclusions, exclusions and conditions)2F[3] and delegations for investment decisions were established
- among other things, an investment strategy and framework for monitoring and evaluation would be established.

Subsequently, an evaluation approach for the RIF was agreed by Cabinet (Ministry of Business, Innovation and Employment, 2024b, 2024c) that included:

- annual lessons-learned surveys
- a formative evaluation in mid-to-late 2025

[1] Kānoa also manages the Provincial Growth Fund, COVID-19 recovery infrastructure funding, the Regional Apprenticeships Initiative, certain financial support in response to the North Island Weather Events of 2023, and the Regional Strategic Partnership Fund (Kānoa, 2025c). Its April 2025 update noted that Kānoa has a role in administering 13 key funds (including the Regional Growth Initiatives and Worker Redeployment, which have now closed) covering 1630 projects (1167 managed by partner agencies), for a combined approved funding total of $4,880.7 million as at 30 April 2025 (Kānoa, 2025d). Kānoa is the regional development unit that is part of MBIE.

[2] CRHL is a schedule 4A asset holding company created under the Public Finance Act 1989. CHRL holds loan, equity, and capital asset investments (with 175 active investments totalling $867 million in capital assets in May 2024), with day-to-day investment management and administration outsourced to Kānoa.

[3] See eligibility criteria for the RIF (Kānoa, 2024f).

- an impact evaluation process to be completed several years after the allocation of RIF funding (around 2029)
- potential ex-post evaluation of a sample of RIF projects.

1.2 Scope

The Ministry of Business, Innovation and Employment (MBIE) engaged us to undertake a formative evaluation of the RIF early in its implementation (as intended under the agreed evaluation approach noted above). We were engaged between March and October 2025, with data analysed as at early September in most areas, while the indicators for outcomes reporting we received shows results to 30 June 2025.

The **purpose** of the evaluation is to ensure that RIF processes are meeting the requirements for strategic and well-managed infrastructure investments, and to identify any lessons to improve fund delivery where appropriate. While formative, this evaluation will also focus on recognised outcomes to date and whether there is a sense that the RIF is on track to deliver its intended outcomes.

The **high-level questions** we considered through our evaluation are as follows:

- What has worked well, and what has not worked so well?
- What challenges have arisen and how effectively have these challenges been responded to?
- What early assumptions and expectations have proven true, and what have not?
- What is liked and disliked about the RIF?
- How effectively are staff working together to operationalise the RIF?
- What early inputs, outputs, and outcomes are occurring?
- What improvements and recommendations can be made?

1.3 Limitations

Key limitations that apply to our evaluation, and form part of the context in which our findings and recommendations should be considered, are as follows:

- This evaluation is being undertaken early in the RIF's lifecycle. As such, it occurs at a point where:
    - changes to the management of the RIF, its systems, and administration are still ongoing. As aspects continue to evolve, there is not always a clear or stable basis for evaluation.
    - not all RIF funding has yet been allocated, meaning our assessment focuses on funding agreed to date and applications received. There are fewer observations of projects underway or completed, and likely an over-representation of grant funding compared with what is expected once the RIF is fully allocated, given the greater ease of provision and use of grant funding for the very first projects identified.

  - it remains too early to understand the full impacts of investments, as in many cases even the immediate outputs are only partially delivered. Resulting outcomes and impacts will not be evident until later and are expected to be a focus of the impact evaluation planned for 2029.
- We have engaged only with a sample of stakeholders and applicants, selected to span key variations within the overall group, and complemented this with a survey sent to all applicants and identified potential applicants. However, representation is not complete, with some stakeholders unavailable for interviews or declining to complete the survey. This introduces a risk of bias in the views shared with us.
- We have not had visibility over the following that ideally we might have but has not been practical within the context of our work:
  - Organisations or individuals who may have chosen not to engage with, or apply for, the RIF.
  - Engagements between Kānoa and potential applicants/fund recipients.
  - Moderation discussions to consider applications or cross-team meetings/engagements other than through seeing certain outputs these would have fed into.
  - Decision-making discussions or the views of decision-makers other than through examples of advice provided and records of certain decisions made.
- Our analysis has generally relied on the information and data provided to (and gathered by) us. While we have noted some areas with potential data quality issues, we have neither corrected these nor constructed alternative datasets. Instead, we have sought to interpret the data in the context of other insights available to us. Similarly, we have sought clarifications in any documents provided to us where we felt these were needed but do not have full visibility of document versions or the use of templates and systems by either Kānoa or applicants.
- The RIF operates within a broader regional support and long-term infrastructure planning and commissioning context. While this wider context has been a consideration in our review, exploring the relative fit, focus, and interface across the whole-of-government support framework lies beyond the scope of this evaluation.

1.4 Report outline

The remainder of this report is set out as follows:

- Background to, and an overview of, the RIF is provided in section 2.
- The approach taken for the evaluation is set out in section 3.
- The findings of the evaluation are set out by area of focus in sections 4 to 13 (Part 2).
- Recommendations are provided in section 14 (Part 2).

Part 3 provides supporting material including reference and appendices. An overview of the key inputs we have drawn on are set out in Appendix A. The RIF Investment Strategy, Intervention Logic, Outcomes Framework, Reporting and Process map are set out in Appendix B. The interview guides

used are shown in Appendix C, and the survey questions used are shown in Appendix D. A summary of the application form, evaluation and reporting templates is provided in Appendix E, and RIF project employment information is summarised in Appendix F.

A summary of our survey results was provided separately to MBIE.

2. Background and overview of the RIF

This section provides information on the background to, and set up of, the RIF and its administration, and an overview of RIF processes.

2.1 Background and set up of RIF

As noted above, the RIF was set up as a $1.2 billion fund following the coalition agreement to be able to allocate funding from 1 July 2024. It was established following prior reviews of Kānoa and the Provincial Growth Fund (PGF) by the Office of the Auditor General (OAG) and Treasury, and recommendations from these reviews have informed the set-up of the RIF (see box below relating to the publicly available OAG review).

OAG's review of the Provincial Growth Fund reset (2023)

Following prior work and recommendations by the OAG in relation to the PGF, in 2023 the OAG reviewed the 2021 PGF reset. At that time, it reported its assessment that:

- the due diligence of applicants had improved since 2020
- it expected to see more attention to risk identification and management
- it could not be confident that project applications were adequately assessed
- more focus on monitoring and evaluation was required
- demonstration of important processes and record-keeping was incomplete.

Following this review, Kānoa implemented a programme of work to reflect on lessons learned, and identify elements of the way Kānoa operates that can be improved to implement the review's findings.

Areas of improvement completed include:

- establishing a cross-agency group to provide feedback on investment proposals, enabling wider Crown perspectives to be considered
- including representatives from the regions and investment teams in defining policy settings
- improving business case templates and evaluation forms to include more of a focus on risk identification and management
- increasing the clarity of funding criteria and wider terminology for RIF applicants through the construction of a glossary of RIF cabinet paper and investment terms
- establishing a cross-team moderation group to improve governance and assess early applications.
- improving record-keeping processes, with each project having a consistent file structure, and implementing business processes to provide guidance to staff
- publishing position papers for the fund online to improve transparency
- proactively releasing Cabinet papers
- publishing the investment strategy online
- publishing summary elements of the end-to-end process from application to contracting decision making to be published with links for further detail on individual aspects/getting started.

Areas where work was ongoing include:

- developing triage processes to increase the efficiency of the RIF
- improving processes, tools, and systems with the implementation of Business Connect—further improvements are underway
- developing criteria to ensure funding is targeted at priority areas via a prioritisation matrix (currently underway)
- reporting contracts online to increase transparency[4] (in progress).

Areas where improvement can be made, but no concrete actions outside of the planning stage have been undertaken include:

- considering how the success of the **implementation** of the programme can be measured
- formulating a strategic plan to address siloing between branches
- consideration on how governance for large projects should be shared with local government, or relevant Crown agencies
- improving the value and consistency of reporting by creating user system requirements, data requirements, and reporting requirements
- early identification of risks through creation of a dashboard system enabling monthly reporting
- improving reporting of wider economic benefits through a template that captures benefits to the local community.

Source: Office of the Auditor-General New Zealand, (2023)

Table 4 sets out key aspects of the set-up of the RIF and its focus, noting any key adjustments made to date (Kānoa, 2024f; Ministry of Business, Innovation and Employment, 2024a, 2024d, 2024e, 2024f).

Table 4: Overview of RIF's focus/settings

Purpose To invest in regional infrastructure over a three-year term to: 1. lift productivity to grow regional economies by investing in infrastructure that increases the performance of businesses 2. improve New Zealand's resilience by supporting regional businesses and communities to absorb and recover from shocks and adapt to changing conditions.
Type of funding available Grants, loans, equity, and/or other capital investments.
Overall quantum and expected scale of investments Initially split as $300 million in operating funding and $900 million capital in Budget 2024, and expected to focus on projects in the range of $1 million to $50 million (with flexibility for larger projects). Initial allocations were: • resilience infrastructure: $720 million, of which $200 million is earmarked for flood resilience

[4] With commercially sensitive information withheld from publication.

- enabling infrastructure: $420 million[5]
- unallocated available for emerging priorities: $60 million.

Who is eligible

- Investments in firms must provide spillover benefits.
- Flood resilience funding projects must be regional, meet criteria elsewhere, must be consented and ready for physical works, and must be a local government entity that has contributed co-funding to the project, including the 42 flood resilience projects proposed through *Before the Deluge 2.0* (Te Uru Kahika Regional and Unitary Councils Aotearoa, 2023).
- Specific eligibility requirements detail that projects must:
  - be with a New Zealand-based legal entity
  - be able to deliver on an asset based in one of the provincial regions of New Zealand—specifically excluded are Auckland (all elements of the Auckland Unitary Authority), Wellington (Wellington City, Lower Hutt City, Upper Hutt City, and Porirua City) and Christchurch City
  - be focused on delivering a 'hard infrastructure' (for example, tangible or built) asset, or completing physical works that protect existing Crown/local infrastructure or assets developed through the RIF
  - contribute to improving resilience and/or productivity, or regional businesses, community and/or the economy
  - fit at least one of the RIF funding components definitions (resilience or enabling infrastructure)
  - be connected to regional priorities[6]
  - where investing for an asset in an individual business:
    i. share benefits or services with other businesses or the community, and
    ii. be a business that has a primary focus on one of the following areas: energy security, water security, food security, connectivity (transport or digital), or growth of a Māori-owned business that is critical to enabling outcomes throughout a community or region.
  - show an ability to deliver[7]
  - have a co-funding element[8]
  - require government financial support to progress or to crowd in private investment (either within the region or elsewhere)—i.e. the project would not otherwise happen without RIF support
  - where applicable, involve applicants that pass due diligence checks (e.g., credit check, suitable character).

[5] Details of the components of resilience and enabling infrastructure are set out on the Kānoa webiste and RIF establishment document.
[6] As detailed further in the eligibility criteria.
[7] Including an implementation plan appropriate to the size, scale, and nature of the project, robust project governance/decision-making systems, and risk identification and management.
[8] From a private investor, iwi, or other non-government entity where relevant. This is taken to exclude local government projects where there is local government co-funding, such as for flood resilience and noted elsewhere as "unless there are specific reasons why this is not possible." Any investments in individual businesses must have an element of co-funding.

What for

Investment in both building new infrastructure and in developing, upgrading and improving existing infrastructure.

For what purpose (focus areas)

- Resilience infrastructure and enabling infrastructure.
- Focused initially on flood resilience (as part of resilience infrastructure) and Māori economic development, as well as enabling infrastructure (when originally established). Then extended to also include energy and water storage as investment priorities. The investment strategy also highlights:
  - resilience infrastructure investments to improve resilience in weather events, energy security, water security (water storage), food security, connectivity, and recovery infrastructure
  - enabling infrastructure to invest in assets used by and/or generating benefits for multiple businesses or many parts of a community, including shared services such as innovation parks and facilities, supply chain or transport solutions, cultural institutions of regional significance, and fixed assets within individual businesses that produce outputs beneficial to other businesses in the region.

Excluding

1. RIF will not invest in projects already funded through other central government programmes, including social infrastructure (housing, schools, hospitals) and roads of national significance.
2. Ancillary commercial activity such as marketing or business development.
3. Funding for apprenticeships or vocational education and training.
4. A project in potable water, wastewater, and storm water assets except for investment in the following: i) rural, community-owned water assets (that are not on the local authority's water network), ii) water assets that are not 'business-as-usual' assets and are directly critically-enabling for eligible RIF projects, for example storm water assets that are typically vital to ensure the success of a floodbank project
5. Projects already underway, unless the applicant can demonstrate why the project would not proceed without RIF support.
6. 'Business-as-usual' infrastructure maintenance works.
7. Purchases of land, except in instances where this is essential to the success of an investment-ready infrastructure project.

Conditions of funding

Co-funding was noted as flexible, to be considered on a case-by-case basis but with the following as a guide (as a % of total project costs):

- Investments in a direct firm (where there are spillover benefits): up to 50%.
- Resilience infrastructure: 40%-80%.
- Enabling infrastructure: 30%-60%.

There are also reporting requirements and other conditions (such as those noted below in relation to loans).

Assessed against the following criteria

- Value proposition: strategic fit, how well the project fits with the objectives of the RIF, whether there is a need for investment.
- Impact: economic case including direct and spillover benefits from the project (i.e. what is the Crown and regional community, alongside the investor, getting in return from the investment?).

- Ability to deliver: commercial and management aspects of the project, how well the project demonstrates its ability to deliver, the financial position of the prospective funding recipient.
- Risk assessment.

Source: (Kānoa, 2024f; Ministry of Business, Innovation and Employment, 2024a, 2024d, 2024e, 2024f)

Further, Cabinet agreed (Ministry of Business, Innovation and Employment, 2024f, 2024e):

- generally, RIF loans will:
  - establish terms with a maximum of 20 years, depending on project modelling
  - be established with interest rates that are general practice for the infrastructure that is being financed
  - be flexible in repayment terms, for example capitalising interest until a project is generating sufficient revenue
  - offer convertible and/or subordinated debt options
  - take reasonable security within the context of the investment
  - in the case of concessionary loans, only be offered where the project would otherwise not be viable and has significant public benefit.[9]
- the investment strategy for the RIF and certain outcomes and measures that would apply, and elements to be included in the RIF outcomes framework (picked up in the monitoring and evaluation framework summarised below and in Appendix B).

Building on the decisions noted above, Cabinet then agreed a broader monitoring and evaluation framework (Ministry of Business, Innovation and Employment, 2024b, 2024c). As detailed further in Appendix B, key components of this include the following (with data sources set out in the document):

- Logic and outcomes:
  - Problems: poor relative productivity, an infrastructure deficit due to underinvestment and increasing demand, climate change increasing physical risks, and barriers to accessing finance.
  - Intervention: invest to co-fund resilience and enable infrastructure investments.
  - Outcomes: increased flood protection and reduced natural disaster risk, increased water security and protected local asset values, expanded local and Māori economies, more (high-paying) local jobs, improved access to finance and increased local innovation, productivity, and private investment.
  - Objective: more productive local economies, with improved infrastructure, and greater resilience to shocks.
- Regular reporting, including:

[9] Concessionary loans are defined as a loan established with an interest rate lower than a rate expected to be offered on the market for the project in question.

- monthly, quarterly and post-delivery project level reporting to Kānoa
- RIF outcomes dashboards to Regional Development Ministerial Group (RDMG) Ministers and officials
- Kānoa quarterly reports to RDMG Ministers and officials
- CRHL quarterly report to shareholding Ministers, CRHL board, and officials
- appropriation measures to parliament and the public.

- Evaluation, including:
  - Kānoa lessons-learning (internal, annually)
  - formative evaluation in 2025 (this report)
  - impact evaluation around 2029.

2.2 Key roles and responsibilities

Key roles and responsibilities relating to the RIF include the following (as noted by MBIE (2024a)):

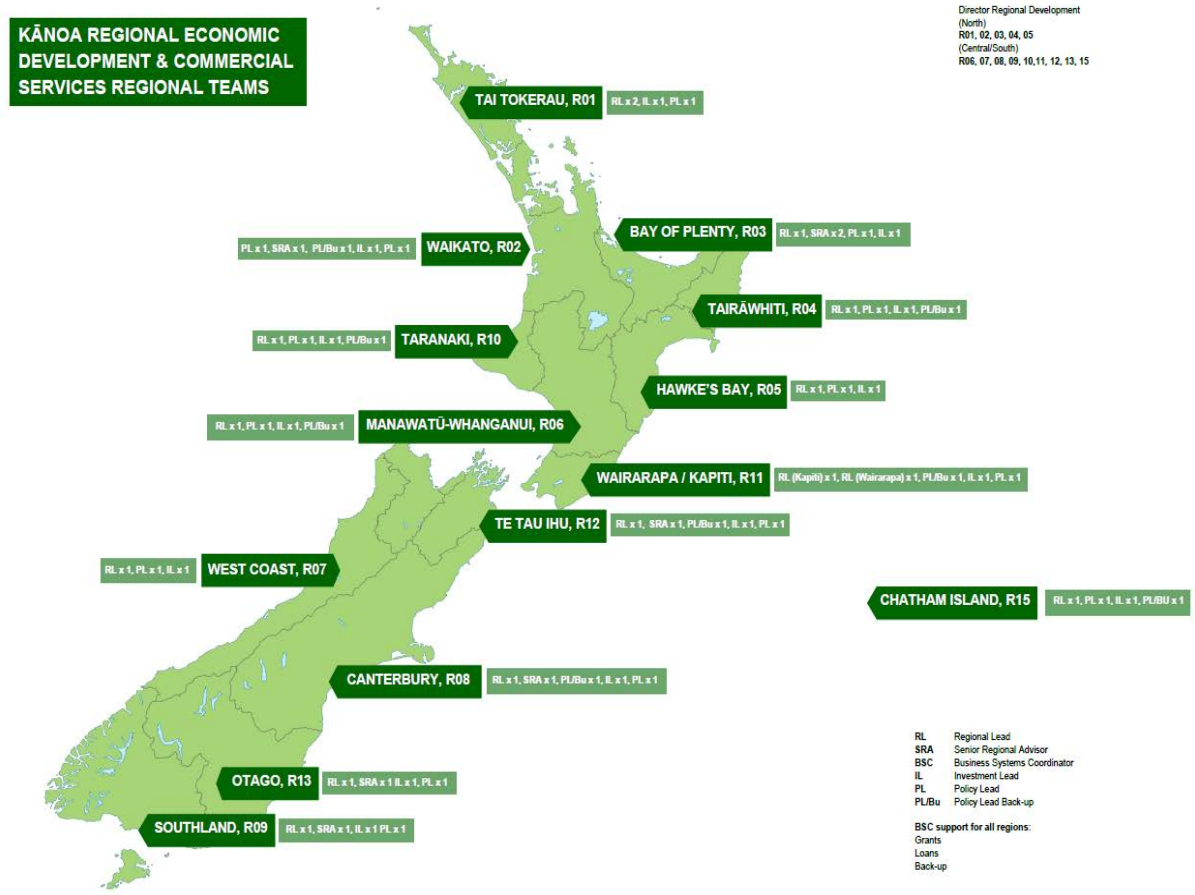
- Kānoa helps to:
  - identify potential regional opportunities to invite applications from—usually through regional leads and in coordination with other agencies—and supports pre-application engagement
  - assess applications received—whether invited or otherwise, drawing from a mix of teams across Kānoa—and advises on and supports decision-making
  - manage day-to-day engagement on RIF projects including contracting, monitoring, governance, risk-management and reporting, and evaluation.
- Ongoing policy and administration decisions for the RIF are delegated to the Ministers of/for finance, infrastructure, Māori development and regional development (RIF Ministers).
- Decisions on fund allocation are made (under delegations) by:
  - senior officials (three) on grant investments up to $3 million
  - the RDMG, which aims to meet at least every two months and comprises Ministers from the finance, infrastructure, regional development, Māori development, and local government portfolios, in investments up to $35 million
  - Cabinet for investments over $35 million, or any projects deemed high risk by officials and CRHL
  - the MBIE Deputy Secretary, Kānoa – Regional Development (RD), who is authorised to decline project applications to support efficient decision-making.
- CRHL provides commercial advice on potential investments prior to Ministerial decision-making, as well as holding loan, equity, and capital asset investments and accruing RIF funds returned through debt, interest, and equity repayments. Day-to-day investment management and administration is outsourced to Kānoa.

The delegations are noted as meeting requirements under the Public Finance Act 1989 and Cabinet Office circular (23) 9 as advised by the OAG. It compares with delegations for the PGF to deputy secretaries for projects up to $1 million, and to Ministers and Cabinet for projects above $20 million.

2.3 Kānoa's structure and resourcing

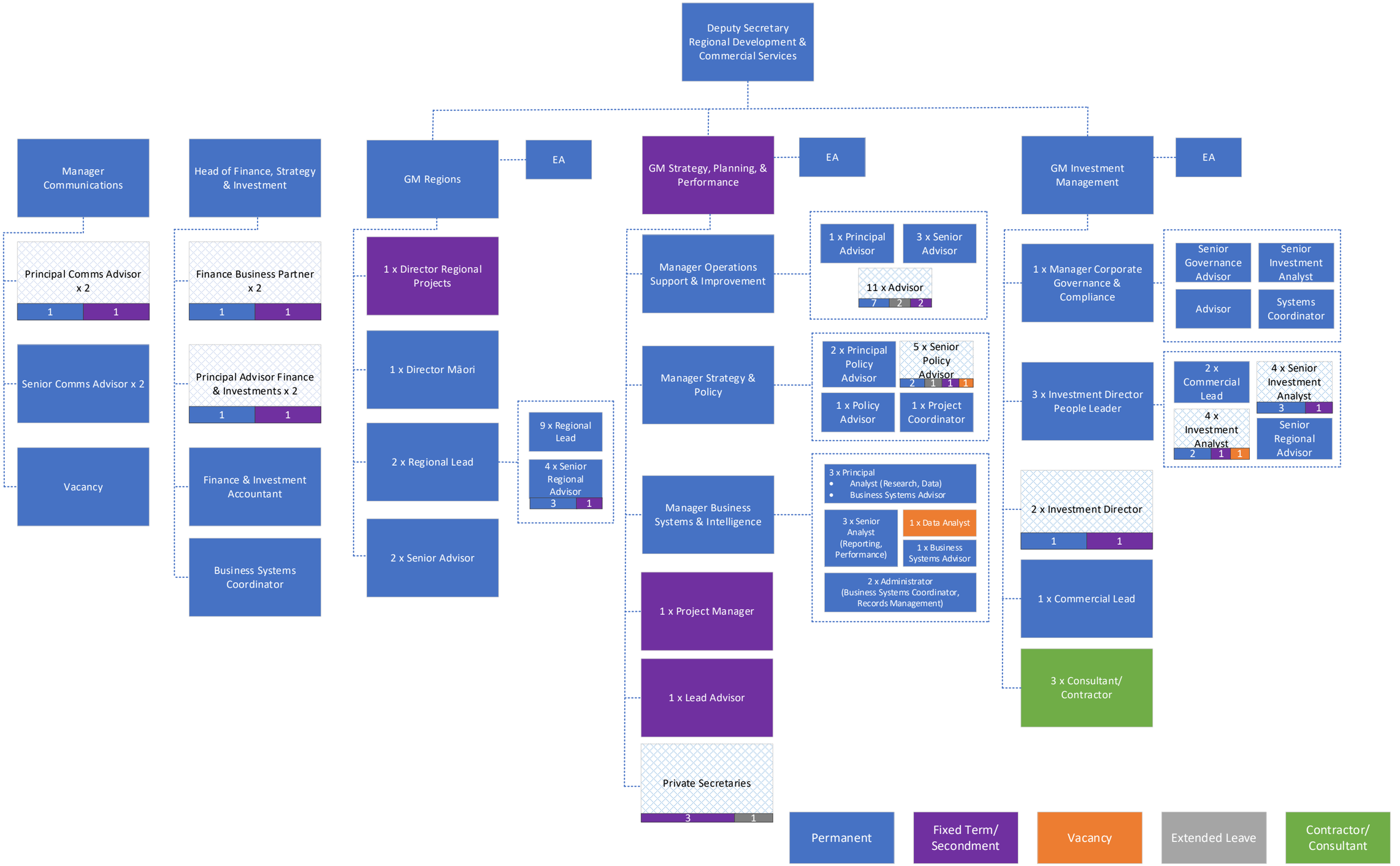
An illustration of Kānoa's mix of resourcing across regions is set out in Figure 2 and Figure 3. It is largely structured around support for the general managers (GMs) of regions; strategy, planning and performance; and investment management. Notably, this includes regional, policy, and investment leads, as well as operations, commercial and governance, systems, and intelligence and data advisors/support.

Figure 2: Kānoa's resourcing across regions and teams



Source: Kānoa (by email)

Figure 3: Illustrative organisational chart for Kānoa



MBIE provides governance and oversight via the following mechanisms:

- Minister for Regional Development receives regular reporting through comprehensive progress updates detailing the RIF's cash flow profile.
- Minister of Finance and Minister for Regional Development are updated on asset holdings under Crown Regional Holdings until the RIF is fully disbursed. These assets consist of Crown investments administered through loans and equity instruments.
- The Crown Regional Holdings Board and relevant Ministers are notified regarding projects at risk of encountering substantive fiscal challenges.

To support oversight:

- a risk management framework assesses the financial health of RIF-supported projects
- relevant updates are also communicated to the MBIE Chief Executive and Senior Leadership Team (SLT) for informational purposes only.

2.4 Systems used in administering the RIF

The key systems used by Kānoa in relation to the RIF and how these are used by staff and applicants is set out in Figure 4.[10] The key systems of note include the following:

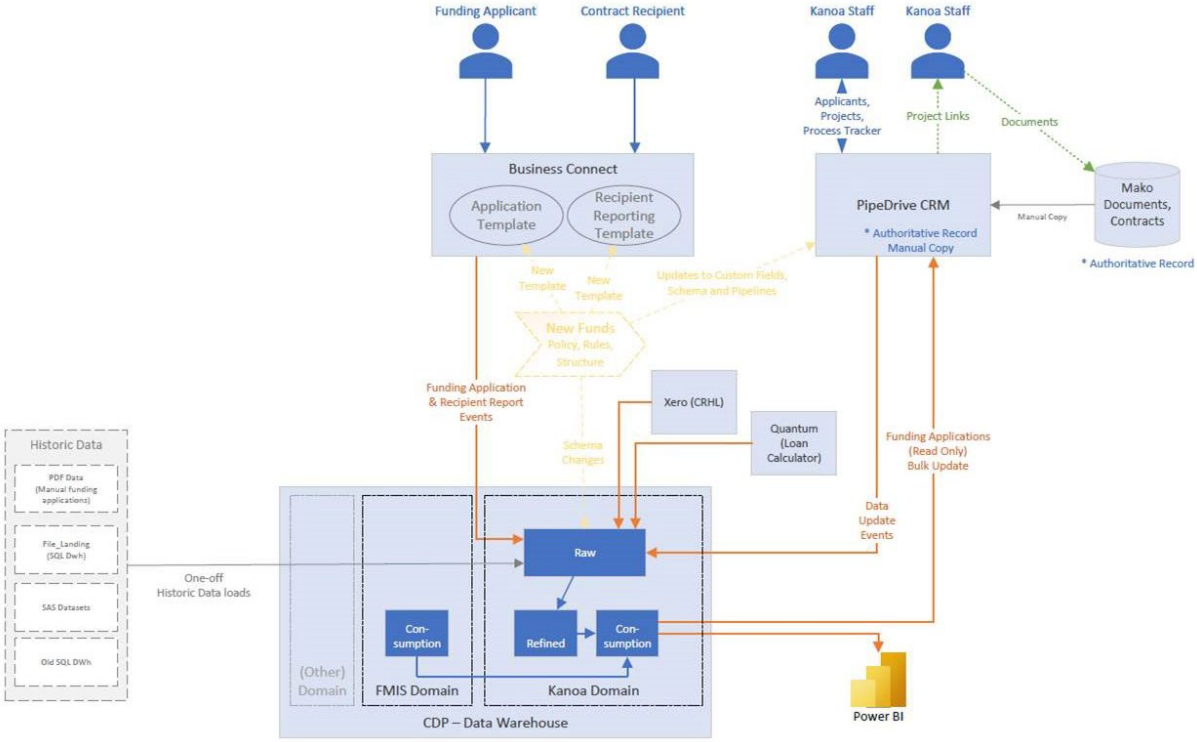
- Business Connect, which provides the:
  - application template fund applicants can use to complete an online application
  - reporting templates for contract recipients, with funded projects to complete agreed reporting (monthly, quarterly and upon project completion).
- Pipedrive CRM, which is a customer relationship management (CRM) system Kānoa staff use to track engagements and information across applicants, contracts, and projects.
- Mako, which is the file management system where Kānoa stores information for each application/project and groups of applications/projects. There are common filing formats used to track an application through to contracting and reporting, as well as other supporting material.

Summaries of the questions in the application form and monthly reporting template are provided in Appendix E.

The data warehouse captures other information as illustrated and supports integration across all sources and utilisation, as well as analysis and presentation of information through the PowerBI tool.

[10] The figure is a concept for data flows for Kānoa that was used in thinking about its data warehousing (so it also shows the flows of information across systems).

Figure 4: Overview of systems used in the management of RIF and concept for data flows with data warehouse



Source: Kānoa (by email)

2.5 Overview of RIF process

Kānoa's website provides the following overview of the RIF process.

Figure 5: Overview of RIF process

Source: (Ministry of Business, Innovation and Employment, 2024h)

A more inward-focused process map from the RIF's monitoring and evaluation plan is set out in Appendix B. This high-level process is consistent across many of the funds Kānoa administers. In addition, some projects go through a pre-application stage before progressing to a full application. Following delivery, a project completion report is required from projects receiving funding (one of which was completed during our work), and reporting requirements apply throughout project delivery as a term of all contracting.

Internally assessing and moderating applications

One of the process improvements Kānoa has undertaken for the RIF is to improve the internal assessment process for moderating projects on their way through the pipeline.

The following issues are typically canvassed:

- Where there may be uncertainty or potential 'line calls,' sense checking of applications to ensure they meet all eligibility criteria, and present at least some strategic alignment with Ministerial priorities.
- Discussing projects that have moved into the list more recently to identify how they should be considered/prioritised moving forward. There are multiple communication channels in Kānoa which mean that projects can be progressed without the knowledge of other areas of Kānoa.
- Managing project volume to ensure there are not too many projects loaded into any one point in time.
- Ensuring there is some form of uniformity and rigour applied to the application and content development processes.

Additionally, if there is a project that is on the 'green' list to support (or has the potential to be), a representative from each of Investment, Regions, and Policy will have a 30-minute discussion to test the eligibility and strategic relevance of the project. The team will then provide a recommendation to GMs on whether to prioritise the project, and when it should be presented to decision-makers. GMs will then make a more formalised decision to triage projects at this point, which provides more certainty to the process and the efforts of the teams.

These process improvements have addressed identified issues with previous projects and the early implementation of the RIF such as:

- uncertainty about which projects were progressing
- multiple communication channels up to senior leaders and varying decisions, pieces of commissioning, etc.
- in some cases, progression of projects to get ready for decision-makers that were not ready (and often resulted in work that led nowhere when the project was pulled out of being presented)
- misinterpretation of the eligibility criteria.

2.6 Evaluation template/tools used to assess applications

We briefly summarise the evaluation template, business case template, RIF Financial Instrument Assessment Framework, and assessment against RIF outcomes that we understand feed into assessments and advice together with analysis of the 'market failure' and rationale for intervention.

Evaluation template

Kānoa's evaluation template for commercial, financial, management and risk evaluation is summarised in further detail in Appendix E and includes the following aspects:

1. Project summary and recommended key terms.
2. Project evaluation's detailed analysis:
    - Commercial case, including (where relevant):
        1. Project type (purely public through to commercial)
        2. System gap
        3. Beneficiaries
        4. Support and demand (evidence of project support/market demand)
        5. Alternatives (and whether more cost-effective/viable)
        6. Fit (in Long Term Plan (LTP), impacts on other operators, competitive environment)
        7. Sector-specific questions.
    - Financial analysis and proposed instrument:
        i. Strength of financial position
        ii. Forecast position post-investment
        iii. Impact on the recipients' financial position if projections are not met
        iv. Co-funding for the project
        v. Why commercial/other funding is not available
        vi. Category under the Financial Instrument Assessment Framework (FIAF)[11] and OBEGAL[12] impacts
        vii. Whether the funding type requested is appropriate

[11] The FIAF has been agreed by Ministers and is used to guide decisions on the appropriate financial instruments based on the category it falls in being high/medium/low strategic alignment, commercial potential, and implementation complexity. Table 5 illustrates two dimensions of this framework for the case of high implementation complexity. There is also a separate FIAF designed for resilience-focused public infrastructure managed by local authorities.

[12] Referring to the Crown's operating balance before gains and losses (The Treasury, 2014).

viii. Proposed instrument.

- Management and ownership analysis (ability to deliver).
- Risk identification and management evaluation.
- Consultation.

3. Summary of analysis for Ministers.
4. Eligibility requirements: drop down answers for whether/how each of the 12 eligibility criteria are met and whether any of the seven exclusions apply as referred to in Table 4.
5. Investment management sign out.

Project Business Case template

As noted above, the project Business Case is also provided alongside evaluations as well as analysis of the 'market failure' and rationale for intervention for decision-making, with the business case template covering the following:

1. Executive summary:
   a) Project summary
   b) Project funding summary
   c) Recommended actions.
2. Strategic Case and impacts:
   a) Alignment with other government programmes and priorities.
   b) Previous RIF investment and other proposals in the pipeline.
   c) Consultation with other agencies.
3. Commercial Case
4. Financial Case
5. Management Case
6. Project risk:
   a) Project risk summary
   b) Due diligence
   c) Crown Regional Holdings Limited advice
   d) Independent expert advice
7. Annexes:
   a) Previous RIF and other Kānoa regional development investments and other proposals in the pipeline
   b) Alignment with RIF eligibility criteria

c) CRHL's commercial advice (if needed)

d) Independent expert advice (if sought).

Other key supporting inputs

Table 5 illustrates two dimensions of this framework for the case of high implementation complexity.

Table 5: RIF Financial Instrument Assessment Framework (FIAF) components in the case of highly challenging implementation

Where project has a highly challenging implementation…			
	Low commercial potential	Medium commercial potential	High commercial potential
High strategic alignment	RIF grants or highly concessionary/suspensory loan funding + highly conditioned	RIF concessionary investment + highly conditioned	RIF commercial/mildly concessionary investment + highly conditioned
Medium strategic alignment	RIF grants or highly concessionary/suspensory loan funding + highly conditioned	RIF commercial / mildly concessionary investment + highly conditioned	Leave to market
Low strategic alignment	Not investable	Leave to market	Leave to market

In addition to the evaluation template components, assessments typically append an assessment of the expected contribution to fund outcomes such as that outlined in Table 6.

Table 6: Illustration of assessment against RIF outcomes

RIF outcomes	**Fit**	**From year**	**To year**
1. Increased flood protection	Yes	3	20+
2. Increased water security	No	0	0
3. More jobs for locals (especially unemployed)	Yes	1	3
4. Improved access to finance for local firms & Māori	Partial	3	20+
5. Increased private investment	Partial	3	20+
6. Reduced impacts of natural disaster	Yes	3	20+
7. More vital assets and services protected	Yes	3	20+
8. Strengthened local & Māori economies & communities	Partial	3	20+
9. Increased local innovation	No	0	0
10. Increased local productivity	No	0	0
11. More highly skilled local workers	No	0	0

3. Approach taken for this evaluation

This section provides an overview of the approach taken for this evaluation and the inputs we have drawn on. Further information is provided in Appendix A and subsequent appendices.

3.1 Overview of approach

Our approach involved four stages of work undertaken between late March and mid-October 2025, as illustrated in Figure 6:

- Stage 1 began with an inception meeting to discuss key context, contacts, information sources, and project management aspects. Following this, a project plan was developed, consulted on, and agreed. The plan set out the key questions to explore, the methods for exploring each question, and the information sources and stakeholders to engage with.
- Stage 2 focused on data collection and stakeholder engagement. This involved gathering the data and information identified in the project plan, as well as any additional material identified in subsequent steps (detailed further below and in Appendix A). We also coordinated and conducted interviews with identified stakeholders and developed and circulated a survey to all applicants and potential applicants for whom we had email addresses.
- Stage 3 involved analysing information from all sources, identifying key themes, and seeking further details to clarify potential themes and issues. We then developed emerging findings, discussed these with MBIE, and prepared a draft report for feedback.
- Stage 4 centred on incorporating MBIE's feedback, clarifying particular points, seeking any further information needed, and finalising this report.

Figure 6: Overview of our approach

Stage 1 Planning and set-up	Stage 2 Data collection and engagement	Stage 3 Analysis and drafting	Stage 4 Report finalisation
• Establish project practices • Identify information sources • Agree methodology • Determine key questions and set up interviews	• Collect and analyse relevant documents and data • Undertake interviews • Develop, distribute and analyse survey	• Identify key themes and issues • Determine nature and scale of issues raised and relevant context • Testing emerging findings and analysis • Draft report	• Seek, obtain and address feedback on draft report • Finalise report
Key deliverable: • Final evaluation plan	**Key output:** • Stakeholder consultation and survey	**Key deliverable:** • Present emerging findings • Consult on draft report	**Key deliverable:** • Final report

3.2 Key inputs drawn on

The key inputs we have drawn on for our evaluation are summarised in Table 7 (with further detail in Appendix A).

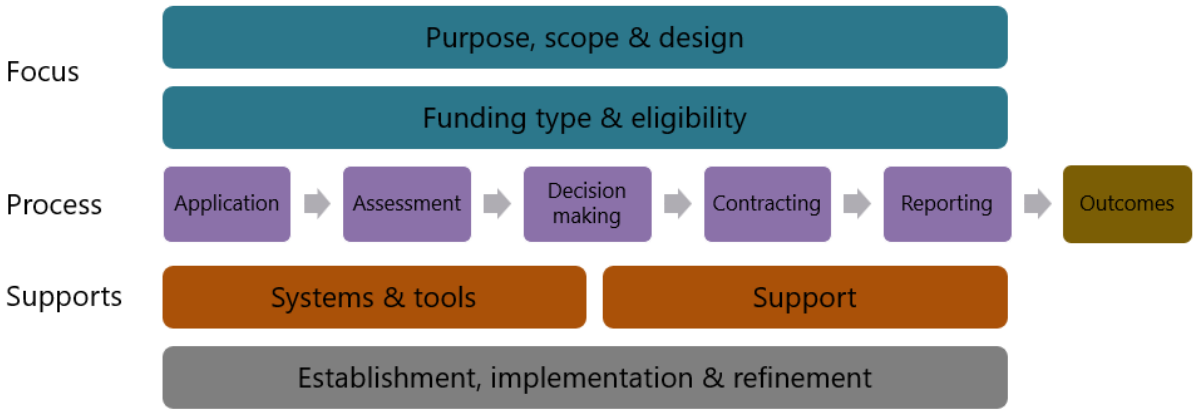
Table 7: Key information sources we have drawn on

Source	Details
Interviews:	We conducted 7 interviews with MBIE teams (along with project check-ins, follow-ups to interviews, and a discussion of emerging findings) and 13 interviews with applicants. The applicant sample was designed to cover different regions, entities, projects, stages, and funding types, as outlined further in Appendix A. The high-level interview questions, which were shared in advance and used as a starting point, are provided in Appendix C.
Survey	We received 82 responses from the 282 identified stakeholders our survey was circulated to, for a response rate of 29%. Note that a low response rate was expected, given that the population of stakeholders included many applicants who had not been approved funds and/or who had not gone through the full application process. A separate summary of the survey results was provided to MBIE, with the questions asked set out in Appendix D.
Document review	Documents available were for RIF set-up, reviews of other funds that Kānoa manages, and documents relating to applicants and their decisions and reporting. We also discussed and reviewed material providing overviews of systems used by Kānoa and the key inputs and outputs of these systems.

3.3 Areas examined and key considerations

The areas we examined are shown in Figure 7, and our evaluation findings are organised as noted in section 3.4.

Figure 7: How we organised the areas examined



Key considerations in our evaluation included:

- addressing the key questions set out in section 1.2
- assessing each area against the considerations outlined in Table 8.

Key questions from the request for proposal (RFP), monitoring and evaluation framework for the formative evaluation, and additional considerations

The key questions set out in the original RFP and summarised in section 1 are as follows:

- What has worked well, and what has not worked so well?
- What challenges have arisen and how effectively have these challenges been responded to?
- What early assumptions and expectations have proven true, and what have not?
- What is liked and disliked about the RIF?
- How effectively are staff working together to operationalise the RIF?
- What early inputs, outputs, and outcomes are occurring?
- What improvements and recommendations can be made?

The questions highlight what is working well and where there may be opportunities for improvement. Each area is also assessed against the considerations set out in Table 8, providing a high-level overview.

Table 8: Additional evaluation considerations and scales

Consideration	Assessment scale		
Importance to outcomes: whether the area is: i) relevant, ii) important, or iii) critical to achieving intended outcomes.	Relevant	Important	Critical
Performance expected: whether performance has been: i) under, ii) met, or iii) exceeded expectations at this stage of implementation.	Under	Met	Exceeded
Opportunities for improvement: whether there are: i) none, ii) some (/easier to implement), or iii) significant (/more difficult to address) opportunities for improvement.	None	Some	Significant

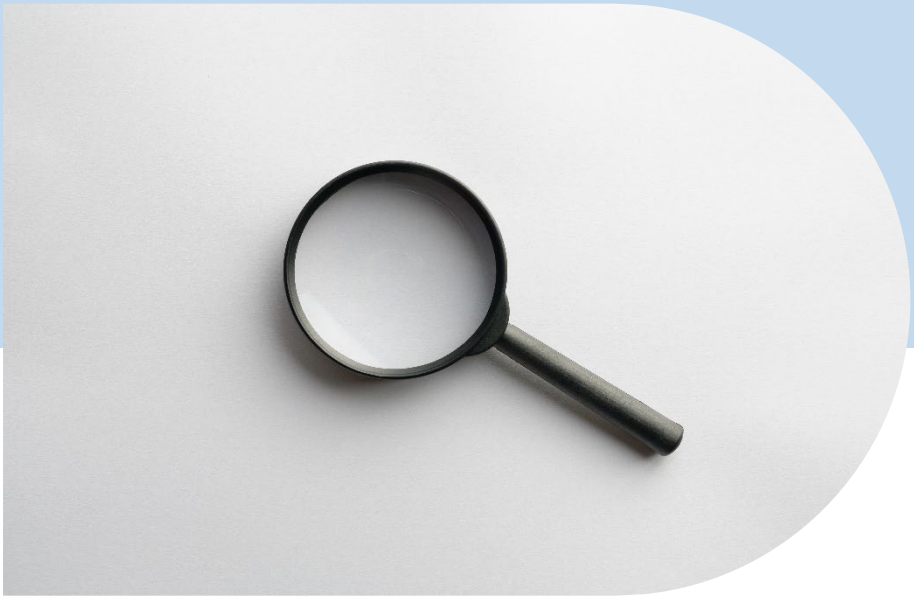
3.4 How this analysis flows through the remaining sections

The following sections address each of the areas examined, setting out:

- key takeaways
- relevant context
- our assessment of importance, performance, and opportunities
- the evidence base, including any points related to the key RFP questions
- specific recommendations.

These are ordered by way of areas where there are the greatest insights and start with the ultimate outcomes (rather than running through sequentially). These sections are then followed by a summary answering the key RFP questions across the evaluation and our recommendations.

Part 2: Findings and recommendations



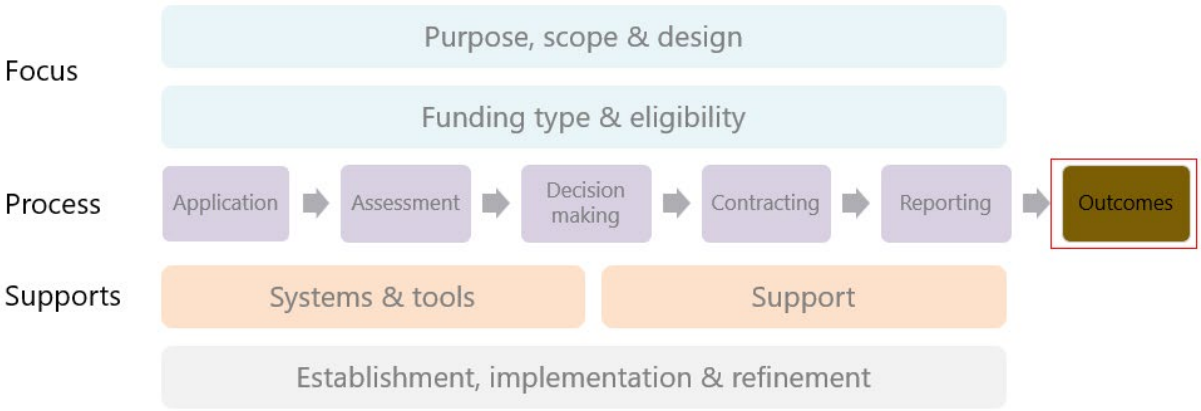
4. RIF outcomes: perceived effectiveness and impact

With the first project completed and many others in the delivery stage, short-term impacts are already emerging. Stakeholders highlighted the RIF's role in accelerating projects, enabling critical investments, and boosting resilience. Some noted that their projects would not have progressed without the RIF, while others suggested this was not always the case.

Relevant context

This section focuses on our findings related to RIF outcomes, with Figure 8 illustrating how this fits as a focus area for our evaluation.

Figure 8: How the RIF outcomes component fits within the areas of focus for our evaluation



The outcomes of the RIF are being assessed at the formative evaluation stage. At this point, not all funding has been allocated, only a proportion of projects are in the delivery stage, and just one has completed a post-delivery report. Nonetheless, indicators are available from reporting and monitoring undertaken in line with the RIF monitoring and evaluation framework. Key components of this framework are outlined in Appendix B, with draft outcome indicator reporting summarised below and employment across projects presented in Appendix F.

Assessment

As summarised in Table 9, we assess the RIF's outcomes (in terms of effectiveness and impact) as critical to achieving its intent. Performance has been consistent with expectations at this stage of implementation, with no specific opportunities for improvement beyond those identified in other areas.

Table 9: Assessed importance, performance and opportunities of the RIF's outcomes

Consideration	Assessment scale		
Importance to outcomes			Critical
Performance expected		Met	
Opportunities for improvement	None		

Evidence

Distribution of funding contracted and applied for by region

Applications for funding, and funding contracted or approved, are not distributed equally between regions. The Northland region was the largest in terms of both the amount applied for ($808.6 million, 17.4 per cent) and the amount contracted to date ($53.5 million, 25.7 per cent). Canterbury was the second largest region in terms of the amount applied for ($496.3 million, 10.7 per cent) and has had a slightly larger value of funds approved than Northland, at $77.1 million—around $800,000 more. However, funding contracted to date in Canterbury has been minimal at $5.7 million (2.7 per cent of total contracted funding), suggesting that a large share of funding remains in applications currently under negotiation and is likely to progress to the contracted stage over the coming months.

Figure 9: Progress of projects through the pipeline by region

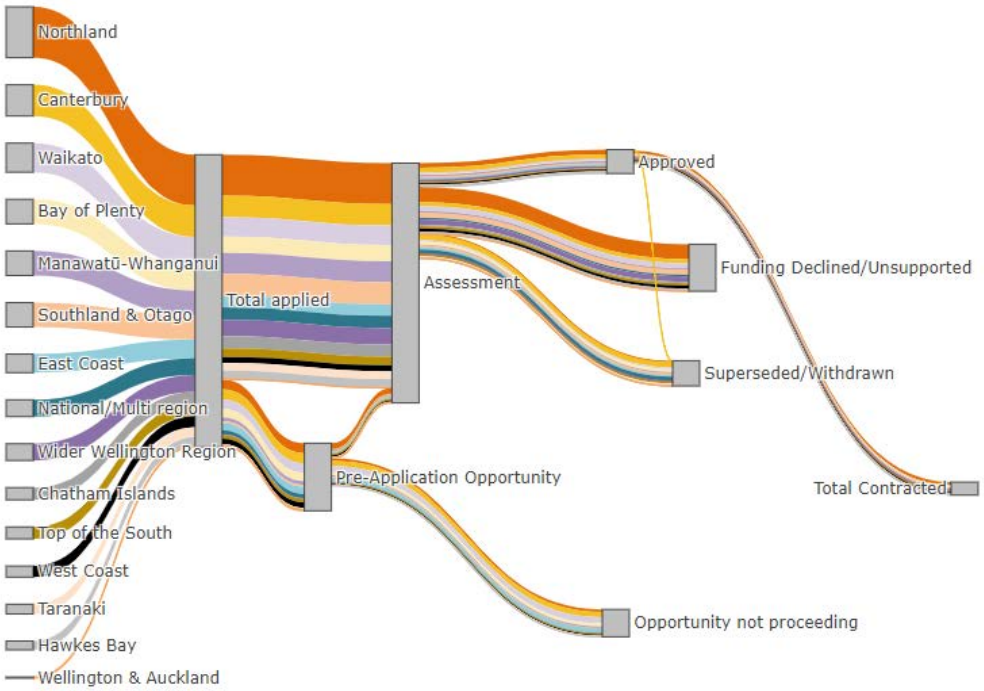
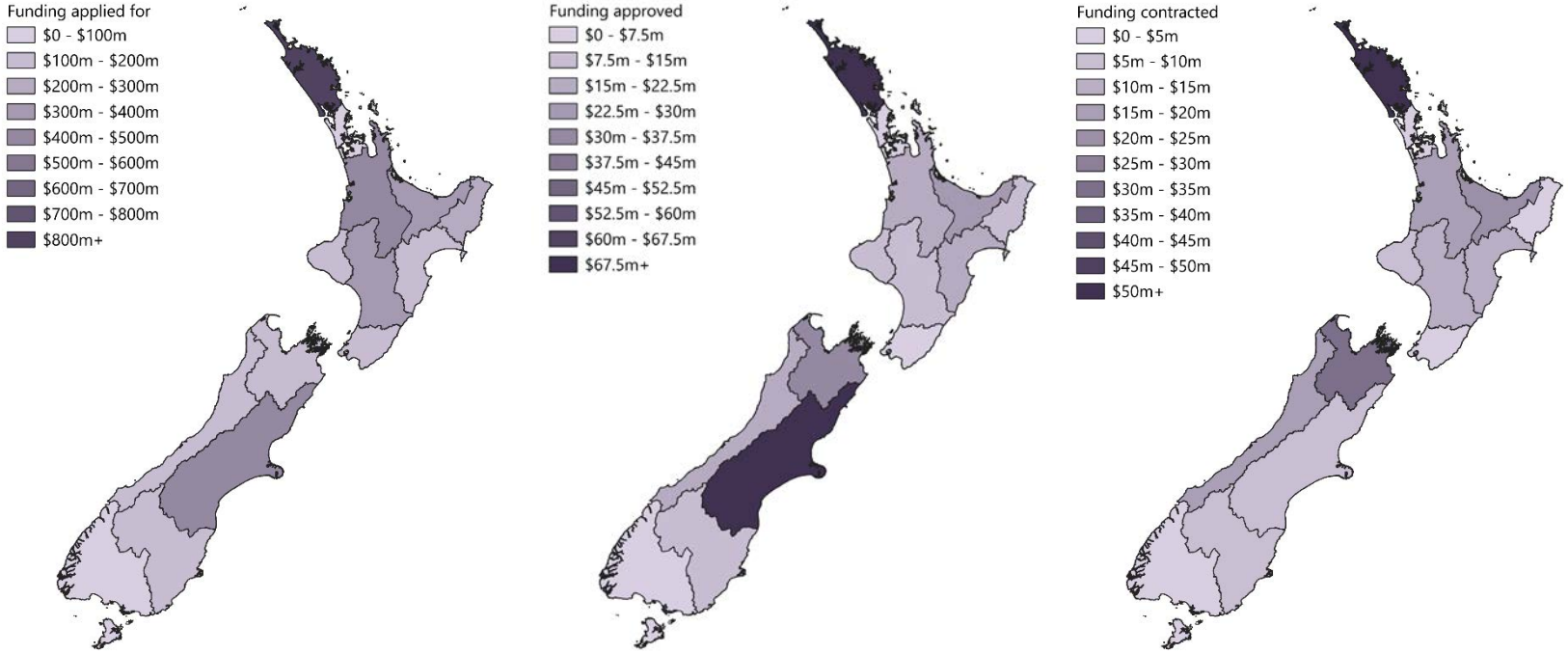


Figure 10: Distribution of funding applied for, approved, and contracted across the regions



Distribution of funding contracted and applied for by focus area

Funding applied for under the RIF has not flowed uniformly through to approval and contracting. Total funding applied for in applications tagged as 'enabling growth' was $1.6 billion, making it the largest category of funding applications at 34.4 per cent of the total. Despite this, only $12 million in this category—equivalent to 5.9 per cent of total funding contracted—had been contracted as of 2 September. At the same date, $889.1 million of 'enabling growth' funding remained at the assessment stage. By contrast, the majority of funding contracted (68.9 per cent) as of 2 September was for resilience infrastructure, likely reflecting the *Before the Deluge 2.0* projects, which were among the first funded through the RIF.

Figure 11: Progress of projects through the pipeline by focus area

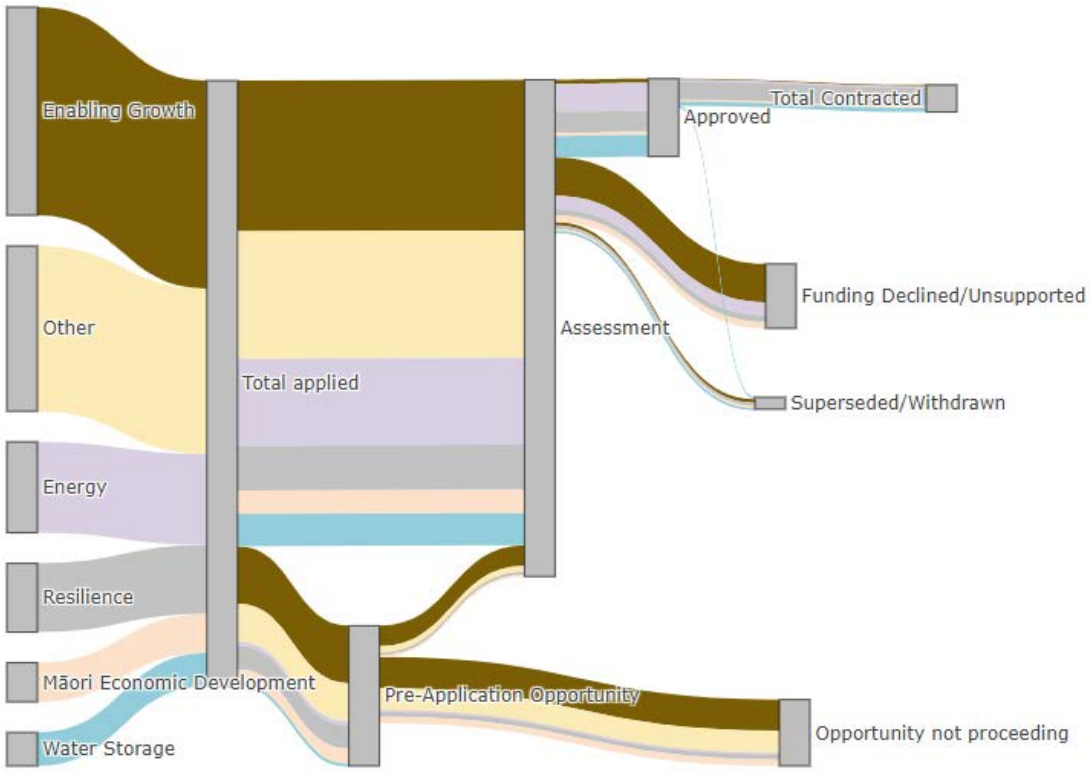
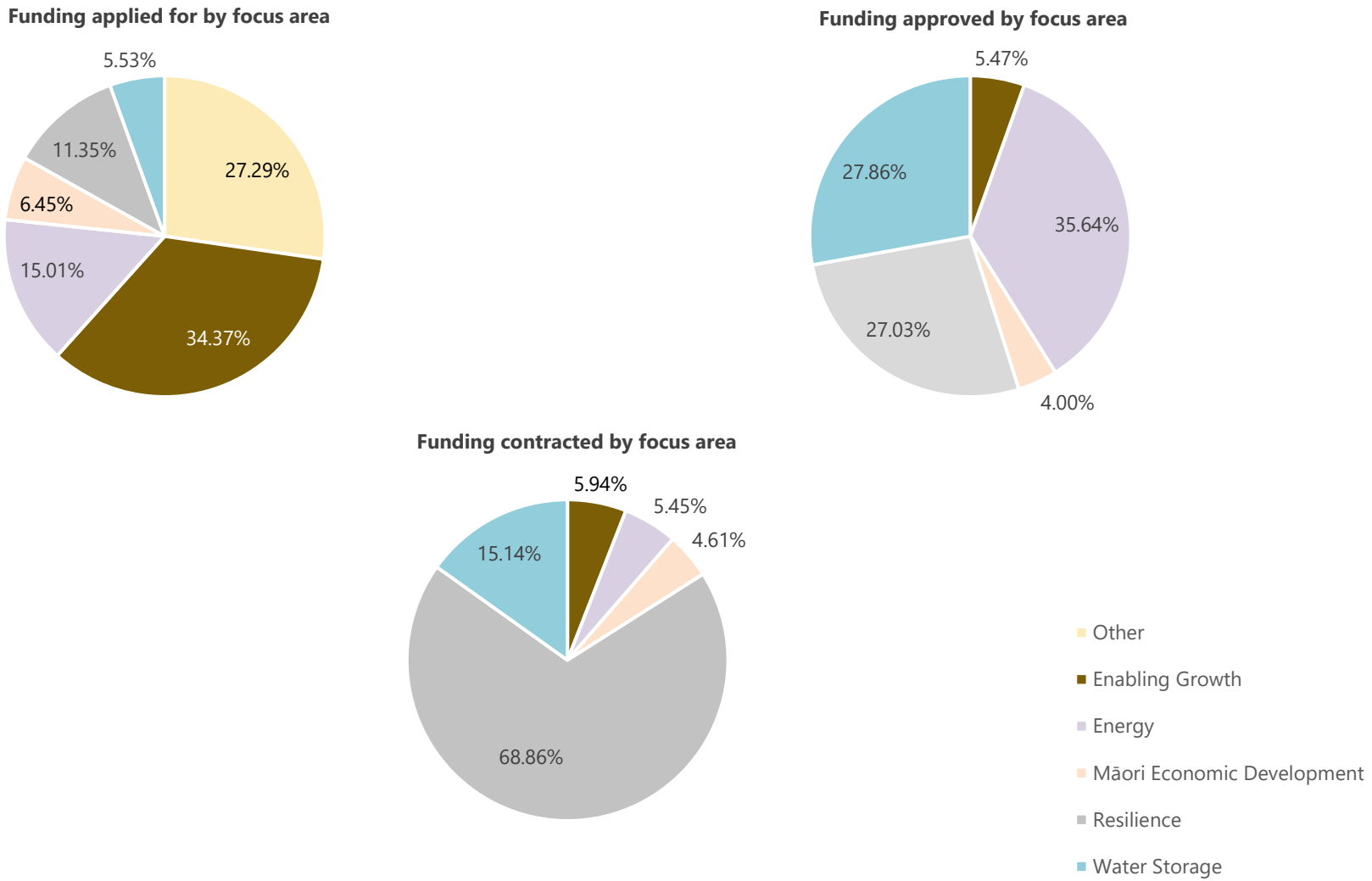


Figure 12: Funding applied, approved, and contracted by focus area



The largest area of funding contracted was resilience infrastructure, of which $117.6 million of funding (or 82 per cent) was grant funding.

Figure 13: Funding contracted by focus area and funding type

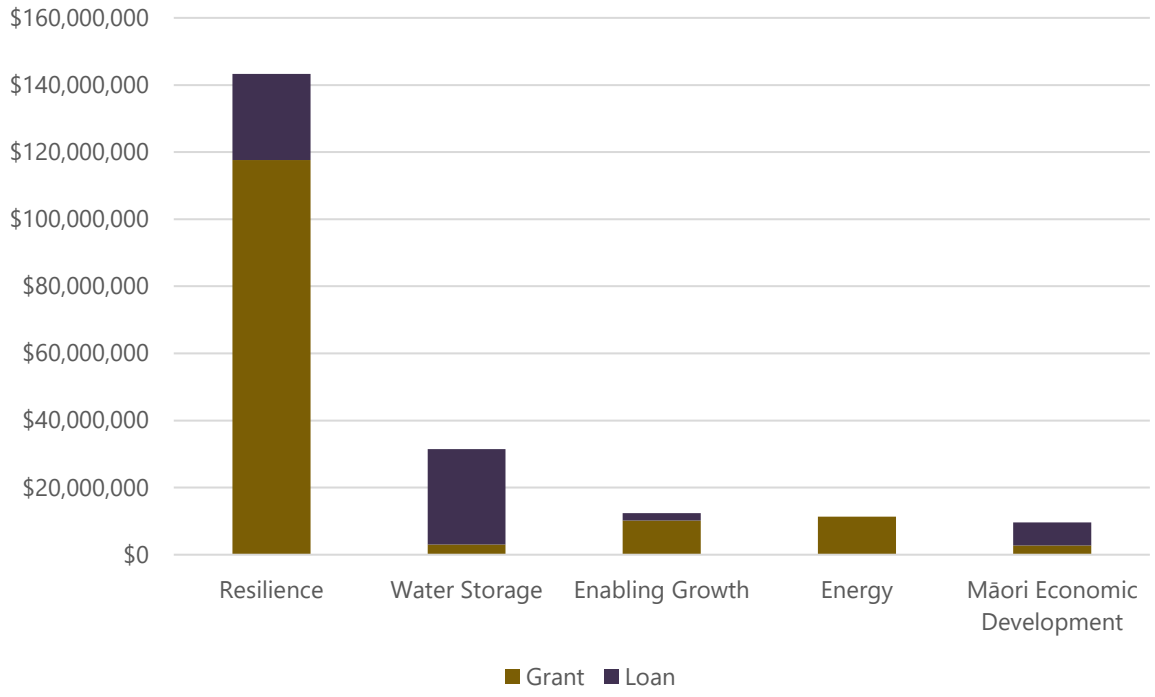
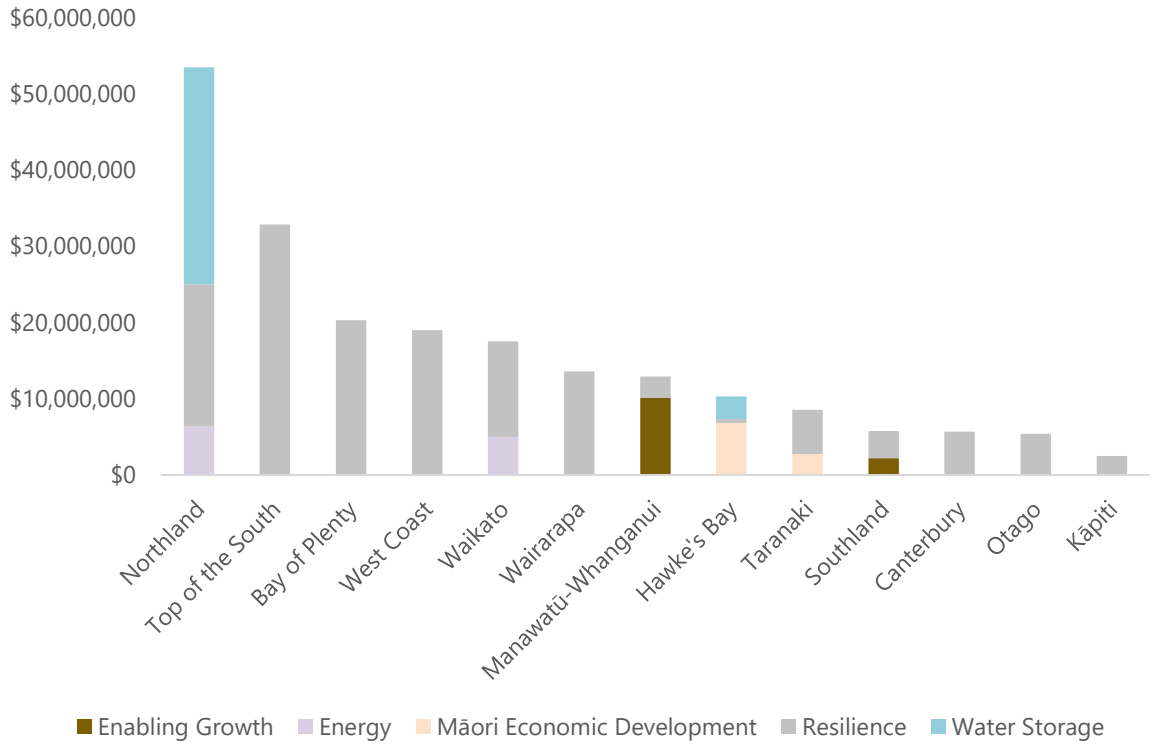


Figure 14: Funding contracted by focus area and region



Distribution of funding contracted and applied for by entity type

The two largest sources of applications were the private sector and councils, with $2.1 billion and $1.1 billion applied for, respectively. However, applications approved to date were more evenly distributed across entity types, with $180 million for Crown, $164.5 million for councils, $114.2 million for the private sector, $91.9 million for non-governmental organisations (NGOs), and $45.7 million for iwi.

The majority of superseded or withdrawn applications (79.4 per cent) and those with funding declined or unsupported (60.2 per cent) were from the private sector. In terms of funding contracted, 53.8 per cent went to council projects—reflecting the *Before the Deluge 2.0* tranche—21.8 per cent to NGO projects, 15.1 per cent to iwi-led projects, and only 5.8 per cent to private sector projects.

Excluding council-led projects, which were dominated by the grant-funded *Before the Deluge 2.0* projects, the distribution of funding across entity types broadly aligns with the RIF's investment objectives: addressing funding gaps and supporting projects that struggle to raise funds through traditional capital market channels. NGOs and iwi groups are generally less able to access these channels than private sector firms, so their high representation in approved funding is unsurprising.

Figure 15: Progress of projects through the pipeline by entity type

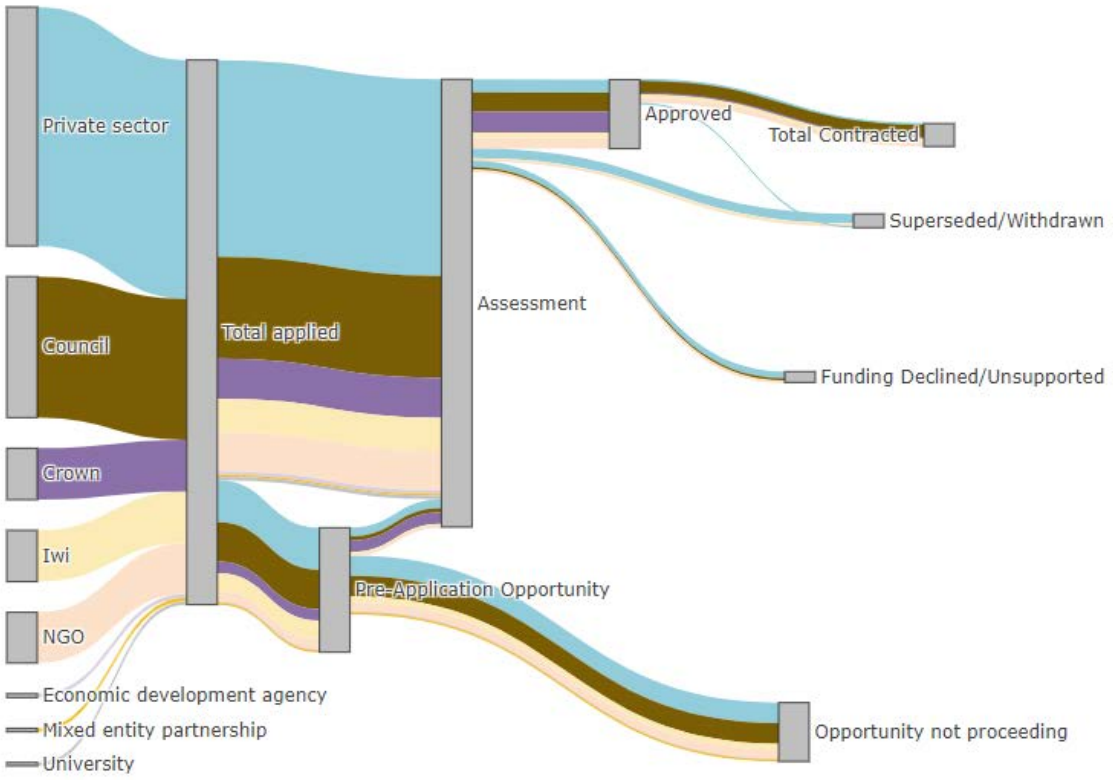
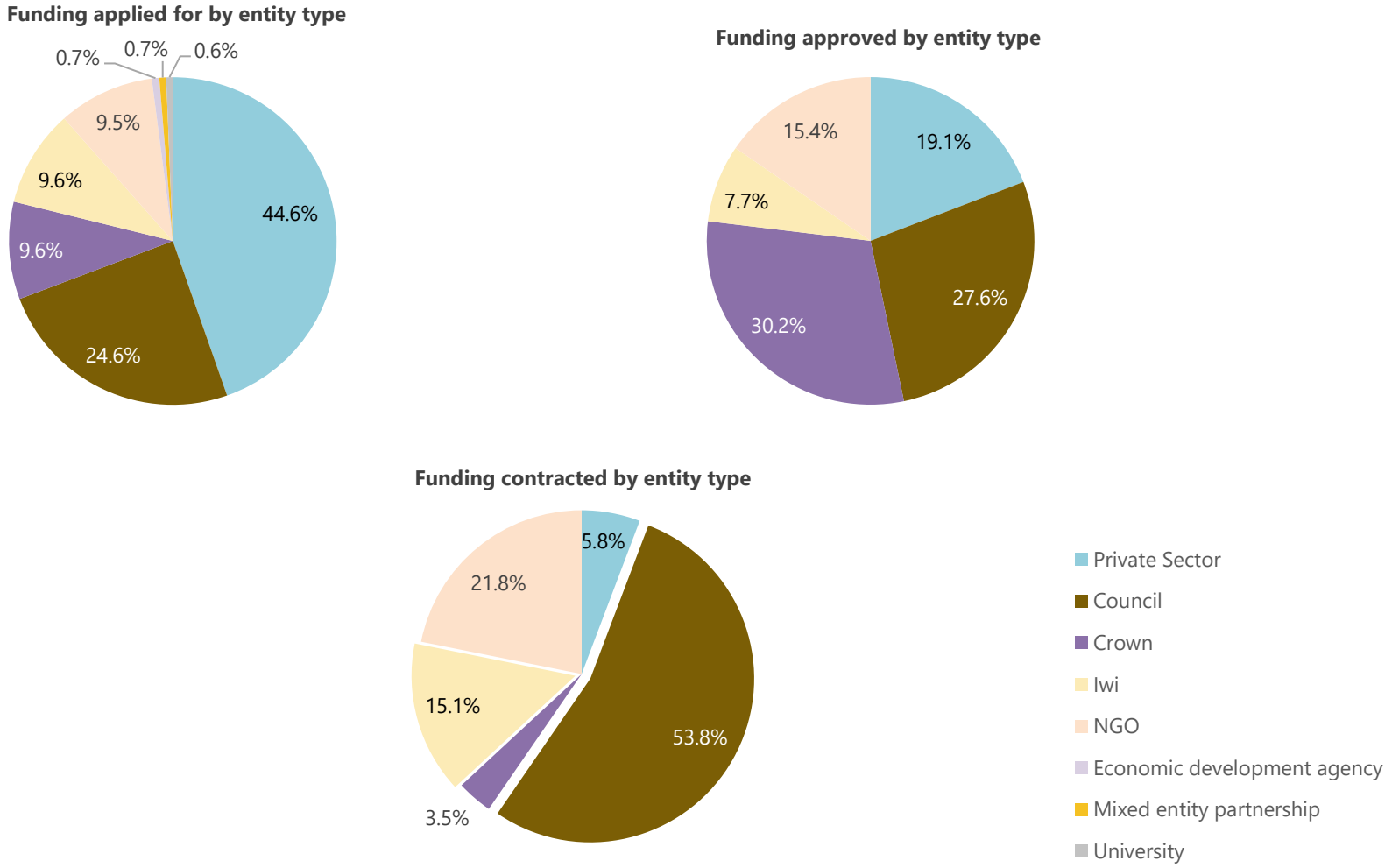


Figure 16: Funding applied, approved, and contracted by entity type



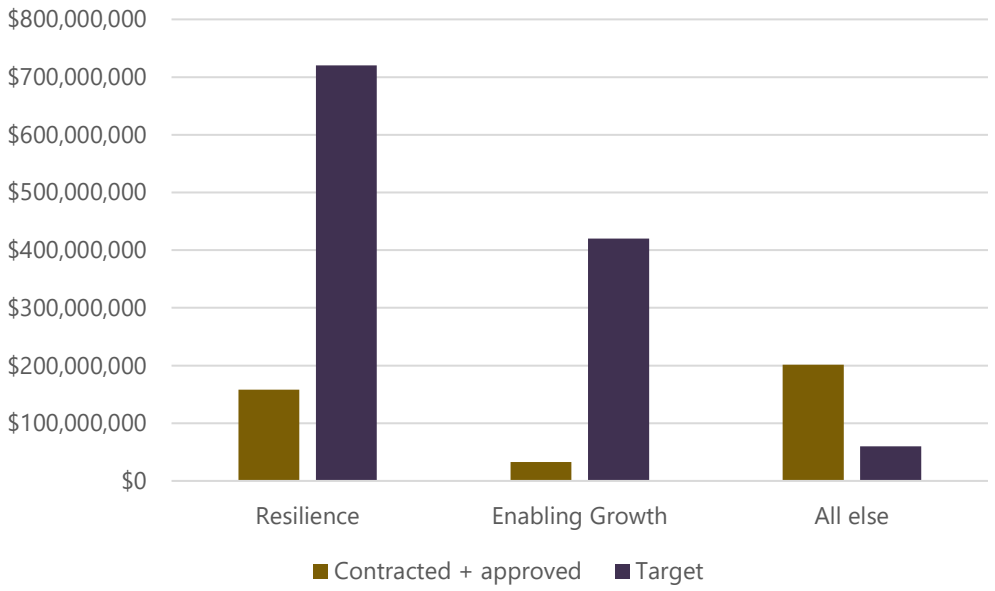
How the distribution of funding compares to the target distribution

The initial allocation was $720 million for resilience infrastructure, $420 million for enabling infrastructure, and $60 million earmarked for emerging priorities. Figure 17 compares funding that has been contracted or approved against these targets.

As at 2nd September 2025, $158.3 million of resilience funding has been contracted or approved against a target of $720 million. Only $32.6 million of enabling growth funding has been contracted or approved, well short of the $420 million target. Meanwhile, $201.2 million has been allocated to other focus areas as priorities have emerged, exceeding the initial $60 million earmarked. Notably, $138.1 million of this relates to water storage projects.

A question arises as to whether this represents a true reallocation, as implied by Figure 17, or simply reflects variation in how strictly the initial category definitions have been applied. For example, energy and water storage investments could reasonably be classified under either enabling growth or resilience. If these investments were reclassified accordingly, $177.3 million of funding would shift from the 'all else' category into resilience or enabling growth.

Figure 17: Progress against initial targets



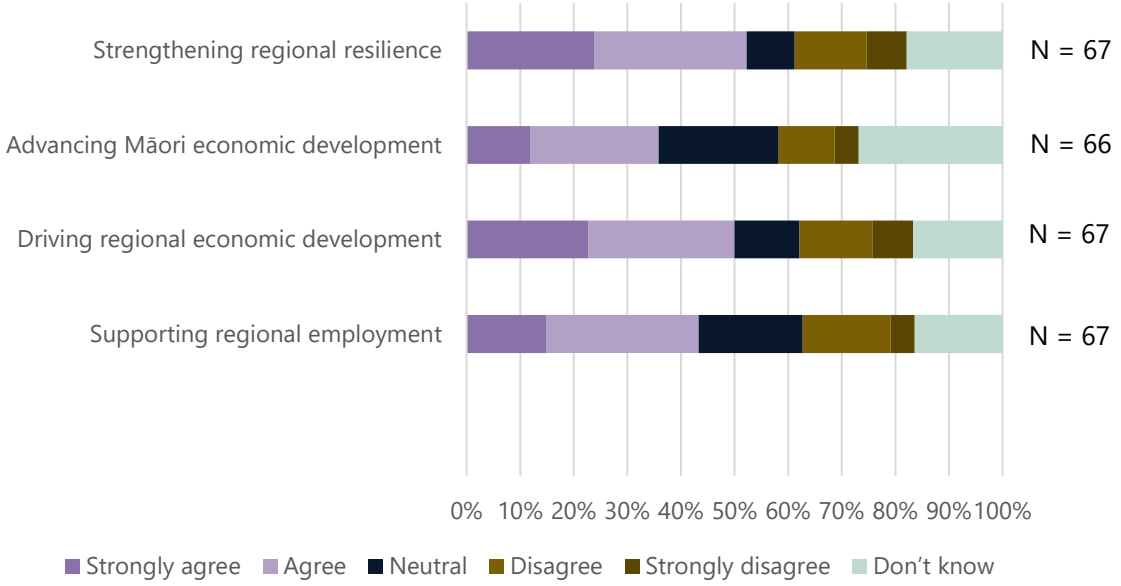
Survey sentiment in relation to intended objectives

Figure 18 presents the high-level results from our survey regarding whether the RIF is on track to achieve its intended goals. These questions were among the last in the survey and may have required stakeholders to reflect on the RIF as a whole, which they may have limited visibility over. Consequently, it is not surprising that there were fewer responses and a larger proportion of uncertain or neutral answers.

Across each intended outcome, there was generally more agreement than disagreement, although all response types were represented. More respondents agreed that the RIF was on track to drive

regional economic development and strengthen regional resilience. By proportion, local government respondents showed the highest agreement regarding the RIF being on track to support regional employment (seven out of 13), while iwi/Māori organisations had the largest portions agreeing that it was on track across other intended goals.[13] Although the sample size was smaller, community organisations tended to disagree (four out of seven) more than agree that the RIF was on track to achieve goals other than advancing Māori economic development.

Figure 18: Survey sentiment in relation to whether the RIF is on trach to achieve intended goals



Outcome indicators to date

Kānoa's "Indicators for Outcomes Report: June 2025 Quarter" (2025a) highlights the following as of June 2025 compared to July 2024:

- **Outcome 1** – Increased flood protection: 48 RIF investments have been made under this outcome, with a total contracted value of $228 million. These investments support the protection of 200 hectares (ha) of pastoral, horticultural, and wetland areas, and 203 ha of residential, commercial, and industrial land.
- **Outcome 2** – Increased water security: 9 RIF investments have been made under this outcome, with a contracted value of $65 million. Information on water storage and irrigated land is not yet available.
- **Outcome 3** – More jobs for locals (especially job seekers): 55 RIF investments have been made under this outcome, with a contracted value of $275 million. RIF-funded projects currently employ 80.0 full-time equivalents (FTE), 79 per cent of whom are local, 16 per cent Māori, and

[13] On average, across the four questions, 7.25/12.75 iwi organisations either agreed, or strongly agreed with the statements.

0.3 per cent supported through Jobseeker programmes. Including indirect and induced impacts[14], these investments are estimated to generate a total of approximately 2,900 FTE. Despite this, Jobseeker numbers have increased, and the number of filled jobs has declined in the regions where the RIF has invested.

- **Outcome 4** – Improved access to finance for locals and Māori: 8 RIF investments have been made under this outcome, with a contracted value of $68 million, 35 per cent of which has come from co-funding. One organisation has reported improved access to additional private finance as a result.
- **Outcome 5** – Increased private investment in local economies: 49 RIF investments have been made under this outcome, with a contracted value of $235 million.
- **Outcome 6** – Reduced impact of natural disasters: 51 RIF investments have been made under this outcome, with a contracted value of $253 million. No investments have yet been made to enhance regional transport networks, though $30 million has been earmarked for loans to support regional airlines. Information is not yet available on insurance retreats, insurance premiums, or the performance of RIF infrastructure in the event of a natural disaster.
- **Outcome 7** – More vital assets and services protected: 52 RIF investments have been made under this outcome, with a contracted value of $263 million, including $9 million invested in energy security. No investments have yet been made in food security or digital connectivity. One project completion report indicates that vital assets and services have become more resilient as a result of the investment.
- **Outcome 8** – Strengthened local and Māori economies and communities: 52 RIF investments have been made under this outcome, with a contracted value of $262 million. Investments include $6.4 million in agriculture, horticulture, aquaculture, and fishing sectors, and $5.1 million in cultural institutions. RIF investments are estimated to be associated with $285 million of direct, indirect, and induced GDP impacts. No investments have been made in whenua Māori land entities, and information is not yet available for many other relevant indicators.
- **Outcome 9** – Increased local innovation: 10 RIF investments have been made under this outcome, with a contracted value of $80 million. At least one firm is utilising RIF funding to introduce new products or production methods.
- **Outcome 10** – Increased local productivity: 8 RIF investments have been made under this outcome, with a contracted value of $67 million. Information on other relevant indicators is not yet available.

[14] Economic multipliers take into account the additional economic activity that flows through the economy when investments are made. For example, if company A builds a stopbank, and sources the materials from company B, then the additional activity that occurs in company B to fulfil that order is considered an 'indirect' effect. Similarly, the employees of company A & B receiving wages and spending in the economy as a result is considered an 'induced' effect.

- **Outcome 11** – More highly skilled local workers: 10 RIF investments have been made under this outcome, with a contracted value of $88 million. Information on other relevant indicators is not yet available.

Key positives

In addition to the insights above, key positive aspects highlighted in interviews and the survey included that the RIF was:

- accelerating projects: the RIF has brought forward initiatives such as flood resilience projects, reducing the burden on ratepayers. However, it may be worth clarifying whether advancing projects that might have proceeded anyway—but with delayed benefits—qualifies for funding, or if the eligibility criterion that projects would not proceed without RIF investment is intended to be strictly binary.[15]
- enabling critical investments: some stakeholders, particularly private firms, indicated that they "wouldn't have had a chance" without RIF funding.
- boosting resilience and growth: interviews and documents show that projects are perceived as enhancing regional resilience, protecting assets, and contributing to economic growth. Highlighted benefits include flood protection, cultural impact, business profitability, and support for critical air links. The RIF is also seen as effectively addressing long-standing regional infrastructure deficits, particularly for critical services and community assets.

Some of the supporting comments included the following:

> "Yes, the RIF is directionally on track. Its focus on supporting regionally transformative infrastructure projects is well aligned with the needs of communities."

> "Yes, councils need to know that they have a central government partner to provide funding to support response to climate resilience with ageing infrastructure and communities."

Some survey respondents also noted that the process helped in bringing together stakeholders, organising the project and identifying other funding sources:

> "Putting together the RIF applications pulled the various stakeholders together."

> "[The process] encouraged our organisation to be more organised and structured in the type of information we record and report on" and "[the process] helped us sharpen our strategic thinking and project articulation."

[15] We note that the flood resilience projects were agreed upon at the RIF's establishment as a package outside the usual application and assessment process.

> "Our search for co-funding may have unlocked some great opportunities for funding support and ongoing working relationships."

Challenges/potential opportunities

As identified already, some of the potential challenges include whether the requirement for funding to be necessary for the investment to proceed may not uniformly be assessed by Kānoa (noting this is a difficult exercise in practice). For instance, one respondent stated:

> "The good projects would not have got underway without this fund's existence."

Furthermore, how the potential levee effect was being considered and managed could also present a challenge. In addition, questions arose around whether Kānoa was prioritising eligible applications—and, if so, how different factors were being weighted—and how it was approaching potential trade-offs between investing in opportunities that were ready to progress and those that might deliver greater impacts but require further development before being ready for investment or consideration.

Specific comments that came from the survey also related to the resourcing requirements on applicants, clarity and consistency of criteria, timing/staging, and skills/attitudes:

> "The level of detail and documentation required did stretch our team's capacity, creating short-term resourcing pressures."

> "It wasted my time as if criteria were clear then a decision to start down this track could easily be evaluated rather than filling out and then finding that did not qualify."

> "The funding has become available prior to us receiving resource consent."

> "No. Not enough transparency, information and communication in the local regions."

> "A serious lack of experience and an arrogant attitude" among officials and "became a political tool in Northland."

Suggestions included recognising differences in circumstances across projects and applicant types as well as greater integration across government agencies:

> "The intention is there—understanding the dynamics and unforeseen issues that can arise from working with a community rather than a corporation can be a challenge."

> "With greater integration across funding agencies, more transparent feedback mechanisms, and a focus on speeding up decision making… the RIF can absolutely fulfil its goals."

Relevant recommendations

Given the above, in addition to prior recommendations we recommend that Kānoa considers the following:

A.1 Clarify and ensure consistency in how Kānoa assesses the requirement that projects must be unable to progress without RIF funding, and how this criterion is weighted relative to other eligibility and evaluation criteria.

A.2 Consider opportunities for Kānoa to strengthen coordination with other government agencies to clarify the RIF's role relative to alternative funding sources and to guide applicants towards the most appropriate avenues for support.

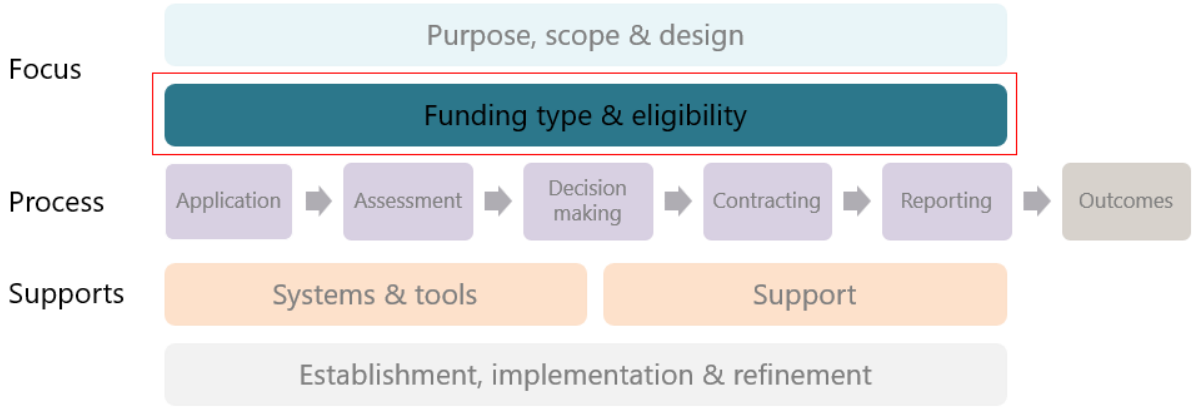
5. Funding types/eligibility

Funding has been largely grant-based to date, with a shift in the mix and focus across funding types. This has raised some questions about the treatment of applications received at different points in time, and some stakeholders reported uncertainty regarding eligibility and funding terms, which are complex.

Relevant context

This section focuses on our findings in relation to RIF funding types and eligibility, with Figure 19 illustrating how this fits as one of the areas of focus for our evaluation.

Figure 19: How the RIF funding types and eligibility component fits within the areas of focus for our evaluation



The RIF is able to provide three broad types of funding to applicants:

- **Grants:** funding provided without repayment or interest obligations. Funds may need to be returned if eligibility conditions are not met. Requires limited financial due diligence by Kānoa**.**
- **Loan investments:** CRHL provides funding that must be repaid with interest over time. Requires moderate due diligence by Kānoa.
- **Equity investments:** CRHL takes a direct ownership stake in the funded entity. Given the higher risk exposure, all else equal, these applications require the highest level of financial due diligence by Kānoa.

Applications can apply (and have applied) for a mix of funding types, with the RIF having a primary focus on capital investments using loans and equity to accelerate projects that would not otherwise happen (Kānoa, 2025b). Decisions on when it is appropriate to use different types of funding are guided by the RIF FIAF that was agreed by RIF Ministers, which assesses the appropriate financial instruments based on whether applicants represent high/medium/low strategic alignment, commercial potential, and implementation complexity as discussed in section 2.5 (with an illustration shown in Table 5).

Assessment

As summarised in Table 10, we assess the RIF's funding types and eligibility as critical for achieving intended outcomes and having performed as we would expect as this stage of implementation, with some to significant potential opportunities for improvement as set out below.

Table 10: Assessed importance, performance and opportunities of the RIF's funding types/eligibility

Consideration	Assessment scale		
Importance to outcomes			Critical
Performance expected		Met	
Opportunities for improvement		Some to significant	

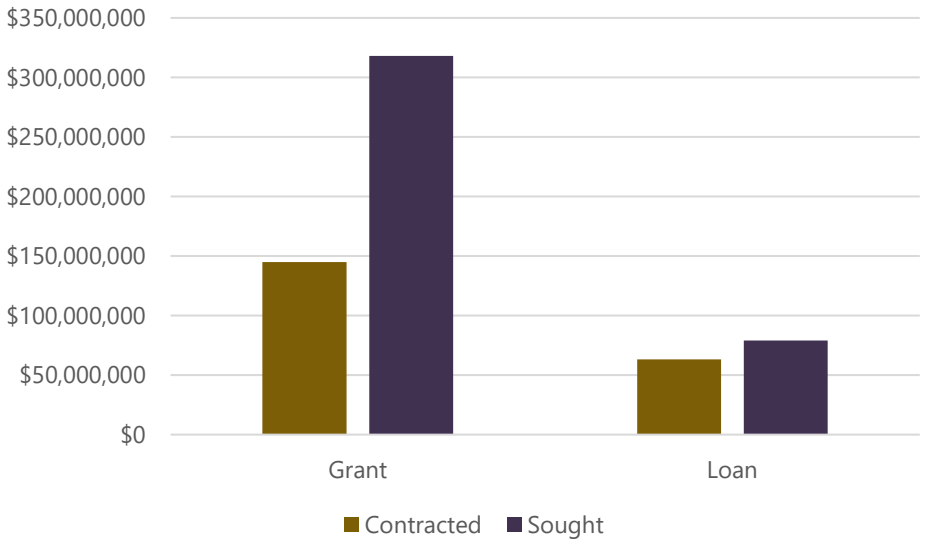
Evidence

Purpose and intended funding distribution of the RIF

Data has been provided by Kānoa on the status of projects in the pipeline as of 2 September 2025. Figure 21 contains four pie charts displaying funding contracted, funding currently approved and in negotiation before being contracted, total funding currently being assessed, and total funding applied for across the RIF.

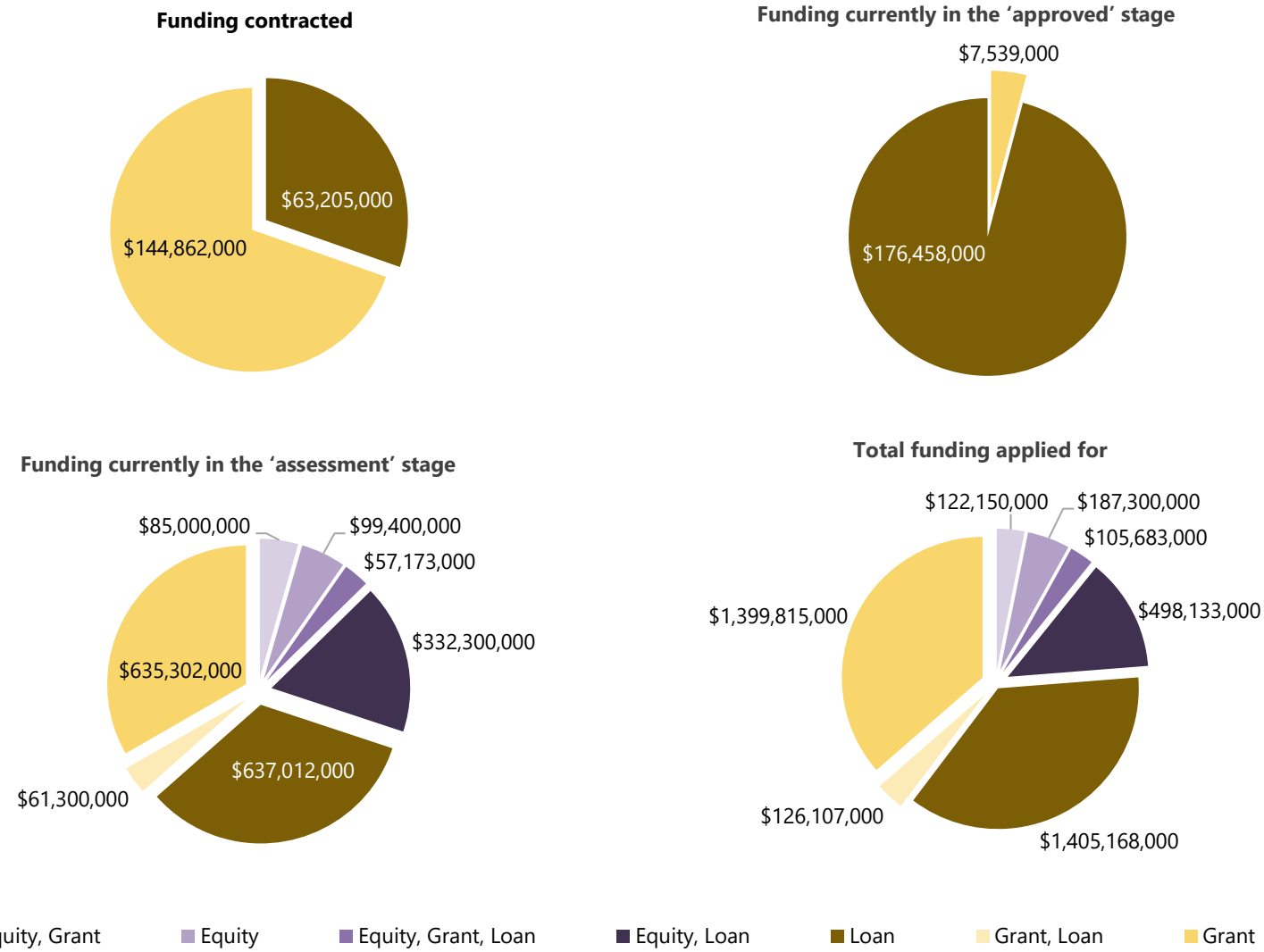
It is worth noting that the pie chart for 'funding contracted' displays slightly different data to the other pie charts in this figure. The other three pie charts display 'funding applied for.' The amount of funding a project gets contracted for is typically less than the amount applied for, as displayed in Figure 20. The average project that applied for grant funding and progressed through to the contracted stage received 46 per cent of the amount they initially applied for. Projects where loan funding was applied for received 80 per cent.

Figure 20: Funding sought, and funding contracted for contracted projects



Funding currently contracted is split roughly 66:33 between grants and loans respectively. Total funding contracted was $208.1 million.

Figure 21: Funding contracted, at approved stage, at assessment stage, and applied for



Funding for projects that have been approved and are currently being negotiated before funding is contracted is displayed in Table 11. This represents the next tranche of projects that are likely to be funded by the RIF. This funding overwhelmingly (96 per cent) consists of applications for loan funding. Total funding in this stage of the pipeline was $184 million.

Funding currently being assessed is more evenly split between the three broad funding types. Many projects in this stage contain an equity element, which requires additional due diligence work to be undertaken by Kānoa before funds can progress to the approved stage. This may explain why these projects have not progressed further at this stage. Total funding in this stage totals $1.9 billion, with 30.1 per cent of projects containing an equity element, 57.0 per cent containing a loan element, and 56.9 per cent containing a grant element [16]

Table 11: Total Funding contracted, approved, and being assessed by funding type

Funding type	Contracted		Approved but not yet contracted		Currently being assessed	
	Value ($ millions)	Number of projects	Value ($ millions)	Number of projects	Value ($ millions)	Number of projects
Equity	0.0	0	0.0	0	99.4	8
Equity, grant	0.0	0	0.0	0	85.0	2
Equity, grant, loan	0.0	0	0.0	0	57.2	2
Equity, loan	0.0	0	0.0	0	332.3	10
Grant	144.9	64	7.5	2	635.3	63
Grant, loan	0.0	0	0.0	0	61.3	5
Loan	63.2	9	176.5	15	637.0	51

Stakeholder perspectives on funding types and eligibility

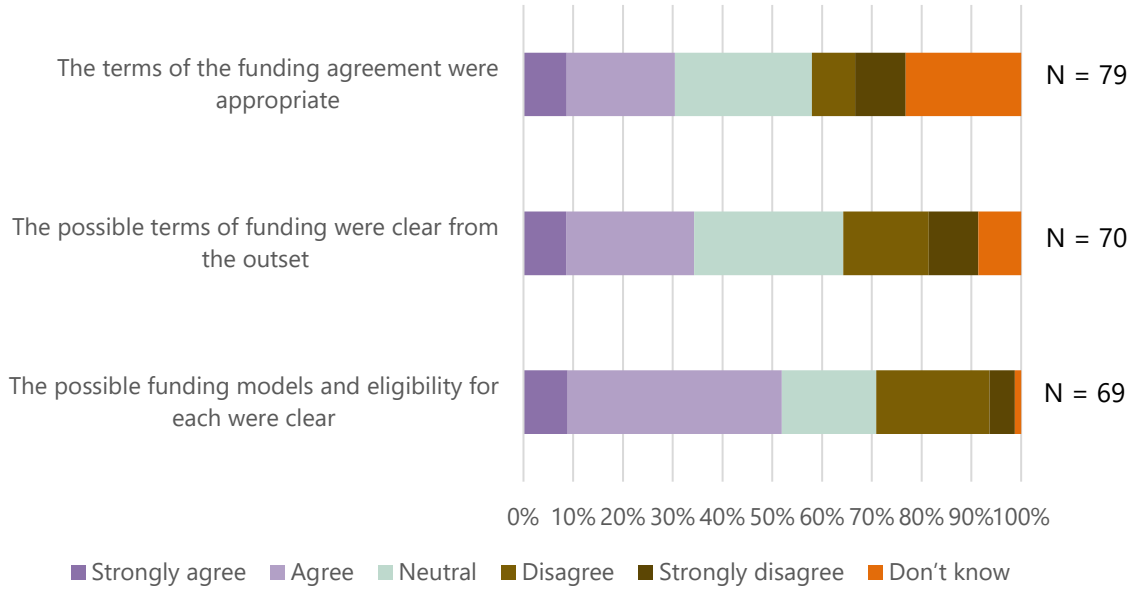
Figure 22 provides the high-level results from our survey in relation to questions on funding models, terms and agreements. There were more responses to the first question, which appeared earlier in the survey. Respondents showed greater agreement that the possible funding models were clear and appropriate compared with the clarity and appropriateness of the funding terms, with the latter questions producing a more balanced spread of responses and a majority who were neutral or unsure.

Although the sample size was small, none of the seven community organisations agreed that the possible funding terms were clear from the outset, and slightly more disagreed than agreed that the funding models and associated eligibility criteria were clear. None of the 14 local government respondents disagreed that the funding agreement terms were appropriate—this may partly reflect the higher proportion of grant funding received by this group through the *Before the Deluge 2.0*

[16] Note these percentages do not add to 100 per cent as many projects seek funding from multiple categories.

projects. Among iwi/Māori organisations (13), more agreed than disagreed that the terms were appropriate, while responses from other groups were more mixed.

Figure 22: Stakeholder sentiment on the funding models, terms and agreements



Key positives

By identifying the *Before the Deluge 2.0* projects early as a specific group and recognising that these initiatives were typically well advanced, there was greater clarity around how they would be treated and an ability to progress them more quickly, allowing their impacts to begin emerging sooner.

Challenges/potential opportunities

Some stakeholders, through interviews and survey responses, expressed concerns that the mix of funding available and the associated eligibility criteria were shifting and unclear. This may partly reflect the different treatment of the initial *Before the Deluge 2.0* projects, which were grant-funded, compared with the more recent emphasis on other forms of funding (the allocation of funding types is outlined earlier in this section), or the increased need to prioritise given the scale of funding now applied for or already in progress. Nevertheless, we note that the eligibility criteria are complex and not universally understood, nor was it evident that they were applied consistently. Some comments raised in relation to these challenges include the following:

> "It was quite confusing what could be eligible for grant funding vs loan funding."

> "The funding models didn't work well for us—debt was said to be at market rates we can get lower through LGFA [local government funding agency]."

> "The funding model has posed some problems… generally low socioeconomic demographic of our local community."

Some stakeholders we engaged with questioned the need for, and appropriateness of, the lender's powers under the proposed funding agreements. These powers include, for example, the ability to select the contractor and certain step-in rights. One stakeholder commented that, had the counterparty not been the government, they believed no organisation would agree to such terms. They felt that, as a result, they were compelled to assume the government would act in good faith and refrain from unduly exercising powers that could otherwise pose significant risks to those contracting with it.

Related to this, there was also a query as to whether the terms should more clearly reflect the nature of the investment and the underlying risk to the Crown, ensuring that conditions were not unnecessarily onerous.

Other observations

The level of grant funding to date, while differing from the original intent of the RIF, likely reflects the early identification of *Before the Deluge 2.0* projects as being grant-funded, the desire to expedite project delivery, and the fact that grant-funded projects typically take less time to progress to a funding agreement (all else equal)—whereas lending or equity agreements generally require longer timeframes. Unsurprisingly, most applicants we engaged with expressed a preference for receiving grant funding over other forms of support

We also observed variation in the treatment of co-funding, both in terms of the quantum required (which differs under the design of the RIF) and the stage of progress in identifying and confirming co-funding sources. For example, one stakeholder told us that their community project proceeded prior to securing co-funding, on the understanding that additional charitable funding would be sought, while others already had, or were required to have, higher levels of confirmed co-funding.

Relevant recommendations

Given the above, in addition to prior recommendations we recommend that Kānoa:

- B.1 Publish the RIF Financial Instrument Assessment Framework, noting it is used as a guide to the financial instruments it typically supports.
- B.2 Clarify whether it is prioritising projects that evaluate best against certain (weighted) criteria, or funding those projects that meet criteria on a first in basis.
- B.3 Review the RIF funding agreement terms and whether: i) various terms are needed; ii) Kānoa can clarify the conditions under which they are needed, and under which powers granted to the Crown would likely be exercised.

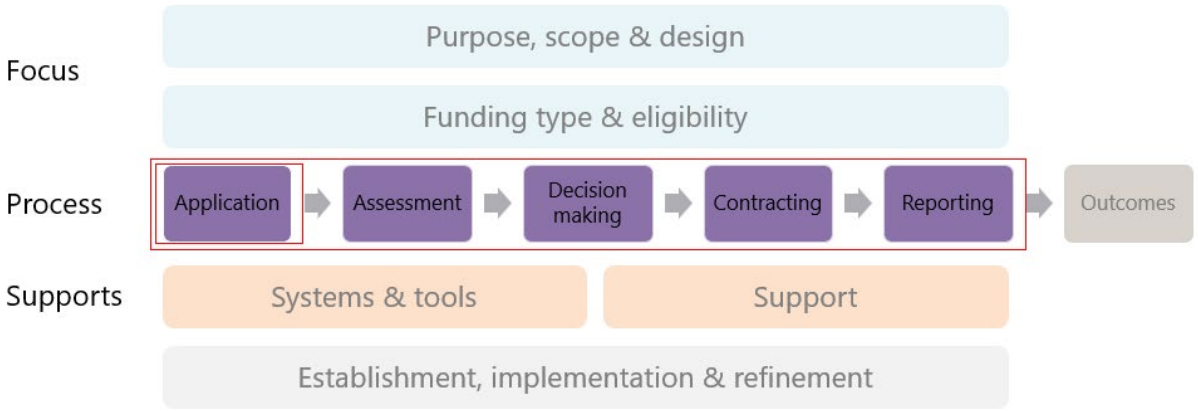
6. RIF's application and overall process

Most stakeholders are positive about their engagement with Kānoa staff and find the process fairly clear and easy to navigate. However, there were some challenges noted in relation to the application form, perceptions of a multi-tiered (and not always transparent) process and some resourcing challenges (for both applicants and questions raised of Kānoa). Some have queried the degree to which the focus is regionally led.

Relevant context

This section focuses on our findings in relation to RIF application and overall process, with Figure 23 illustrating how this fits as one of the areas of focus for our evaluation.

Figure 23: How the RIF application and overall process component fits within the areas of focus for our evaluation



The overall RIF process is summarised in section 2.5 and the application form is summarised in Appendix E. The process involves optional pre-application engagement, application, evaluation, decision-making, contracting, project delivery, post-delivery reporting and loan repayment, and realisation of outcomes as also summarised in Figure 7. In relation to this process:

- the application form is managed through Business Connect
- evaluations are undertaken against Kānoa's evaluation template, with input expected across teams
- decision-making is undertaken via established forums with senior officials and Ministers in keeping with established delegations
- contracting is informed by inputs from the investments team and CRHL, and utilising the standard loan template as appropriate
- project delivery is via agreed project governance arrangements with input from Kānoa and monthly and quarterly reporting using templates on Business Connect

- post-delivery reporting is also submitted using the Business Connect template, with loan repayment and outcomes to be tracked in keeping with contractual arrangements and the RIF's monitoring and evaluation framework.

Assessment

As summarised in Table 12, we assess the RIF application and overall process as critical for achieving intended outcomes, having exceeded what we might expect in terms of performance at this stage of implementation (partly through leveraging broader processes, systems, and expertise that Kānoa has established from its role across other funds), with some potential opportunities for improvement as set out below.

Table 12: Assessed importance, performance and opportunities of the RIF's application and overall process

Consideration	Assessment scale		
Importance to outcomes			Critical
Performance expected			Exceeds
Opportunities for improvement		Some	

Evidence

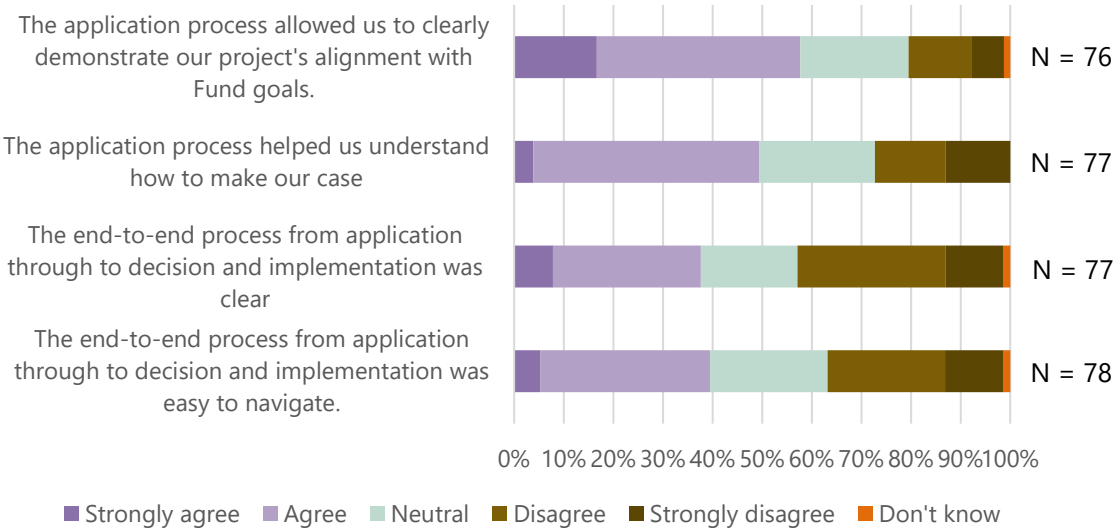
Figure 24 presents the high-level results from our survey in relation to questions on the clarity and ease of navigating the end-to-end process, and on whether the application process supported applicants in making their case and demonstrating alignment with RIF goals. As with all questions in the survey, there was greater agreement among applicants who had been successful in securing funding.[17] The results show that the most common response was agreement; however, a significant proportion were neutral or disagreed.

As observed in other areas, while the sample size was smaller, there was a higher proportion of disagreement among community organisations[18] (although some level of disagreement existed across all respondent types). Notably, none of the community organisations agreed that the end-to-end process was easy to navigate.

There were, however, more respondents who agreed that the application process helped them make their case and demonstrate alignment with the RIF's goals. This is unsurprising, as the application process is a more discrete stage that is easier to assess, and more participants will have had direct experience with this part of the process than with its entirety.

[17] N = 18, with 14 agreeing or strongly agreeing, two disagreeing, and two neutral.
[18] N = seven, with three disagreeing, and one strongly disagreeing.

Figure 24: The end-to-end process from application through to decision and implementation was clear



Looking to the broader application data, Figure 25 displays progress through the different stages of the RIF pipeline. Of the $4.6 billion total funding applied for, 23.3 per cent, or $1.1 billion, underwent a pre-application process prior to heading to the formal RIF assessment stage. From the pre-application stage, 22.2 per cent of funding applied for progressed to a full RIF assessment, 47.3 per cent of funding proceeded no further through the pipeline, and 30.5 per cent of funding is still currently in the pre-application stage.

In total, as at 2 September, 13 per cent of funding applied for has been approved, and 4.5 per cent has been contracted; 7.1 per cent of funding is still at the pre-application stage and 45.2 per cent is at the assessment stage; 36.1 per cent of funding has exited the pipeline in some manner.

Figure 25: Progress through the RIF pipeline

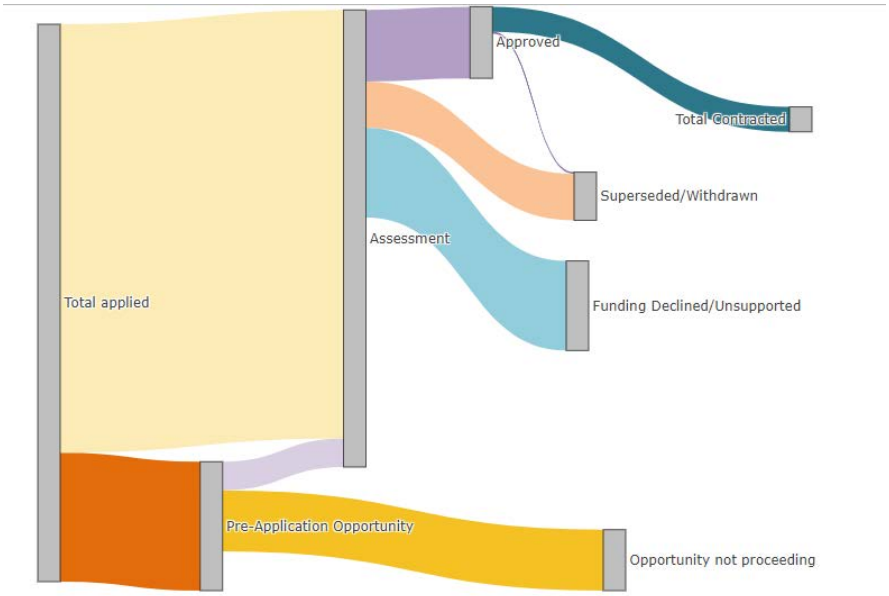


Table 13 presents summary statistics on the duration projects spend in each stage of the RIF pipeline, as well as the total time spent in the pipeline overall. Figure 26 provides box-and-whisker plots illustrating this distribution. It should be noted that the data on progression through the pipeline, including time spent at each stage, reflects the position as at mid-July, whereas the other data analysing projects in the pipeline is current as at 2 September.

On average, projects spend 98 days in the pipeline, with a median duration of 77 days. However, this includes the majority of projects that have not yet concluded. Looking at just projects that have completed all stages through to contracting, the average time spent in the pipeline was 102 days.

Figure 26: Days spent in each stage, box and whisker graph

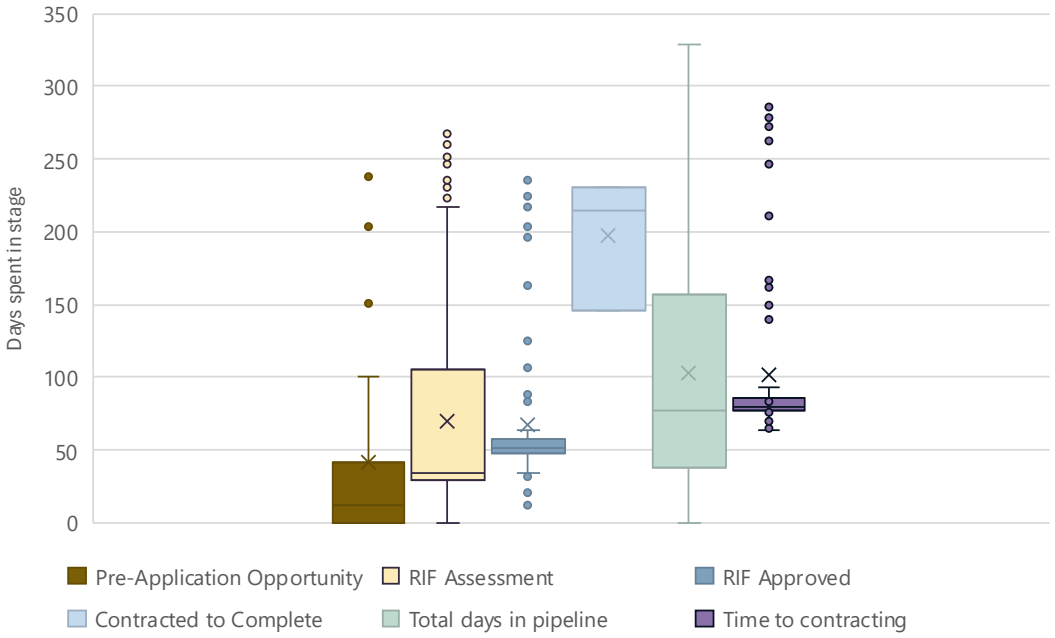


Table 13: Summary statistics, time spent in the pipeline

Measure	Pre-application opportunity	RIF assessment	RIF approved	Total days in pipeline[19]		Contracted to complete
				All projects	Projects that have been approved	
Min	0	0	12	0	64	146
Lower Q	0	29	48	38	77	161
Average	41	70	67	98	102	197
Median	12	34	51	77	80	215
Upper Q	39	105	57	140	86	229
Max	238	267	236	329	286	230

[19] The 'pipeline' is defined as the time period from Kānoa receiving an application or pre-application opportunity through to the point that the application is approved and the project moves to the contracted stage.

How does the RIF compare to other Kānoa administered funds?

Of those projects that have been approved, the average time between entering the pipeline and moving to the 'contracting' stage of the pipeline was **102.1 days**.

Two other recent funds administered by Kānoa are worthy of comparison:

- The PGF: **82.1 days**
- The Regional Strategic Partnership Fund (RSPF): **177.5 days.**

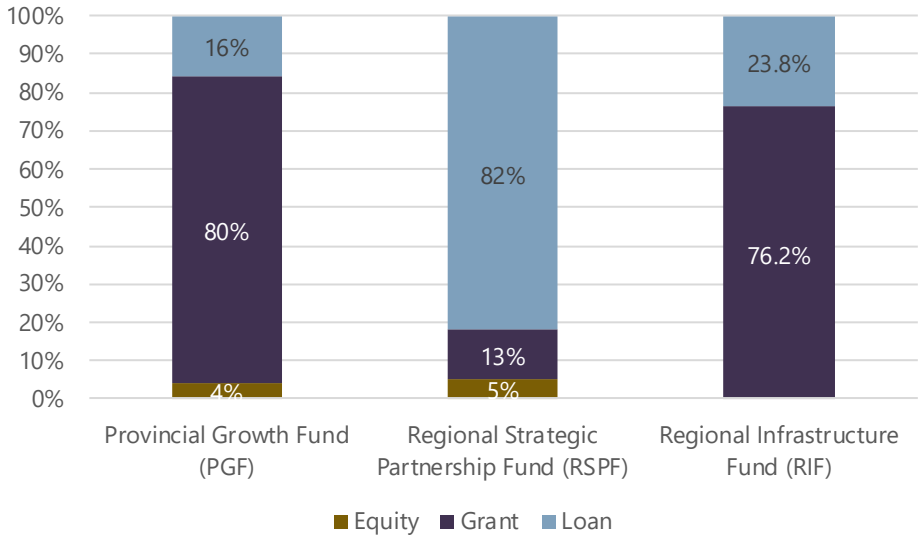
At face value, Kānoa appears to have been more efficient at processing applications during administration of the RIF than the RSPF, and slightly less than the PGF.

Further considerations when comparing the time spent to process applications:

1) The other funds have closed, with all applications processed. As at mid-July when we received data on the progress of applications through the pipeline, Kānoa staff were still engaged in processing applications, including a moderate number of applications with an equity component, requiring more attention. In other words, some of the activity undertaken by Kānoa staff is not counted in the RIF column, while the PGF and RSPF funds include all the activity undertaken by Kānoa staff during these respective funds' duration.
2) $640 million of PGF funding was reappropriated to address COVID-19-related economic pressures. Three additional objectives were added to the administration of this fund, two of which added additional emphasis on delivering at speed.

On the other hand, the inclusion of a large number of projects that were 'approval-ready' in the form of *Before the Deluge 2.0* projects in the RIF has shortened the amount of time required to progress the average project in the pipeline. If these projects are excluded from the pipeline, the average time to approval increases to **158.2 days,** still slightly quicker than the RSPF**.**

Figure 27: Composition of select funds by funding type



Source: Kānoa

Key positives

Across interviews and survey responses to open-ended questions, positive elements that were noted included:

- generally high praise for support provided to applicants by their Kānoa contact
- many feeling that the process had clear stages (noting concerns below raised by others).

These were illustrated by comments received such as the following:

> "It was all online and available to see."
>
> "Clear stages to process helped," and "the staged application process allowed us to build our submission over time."
>
> "Flexibility with regards to how our application progressed, jointly we worked with the Kānoa team to refine our application."
>
> "The support from our liaison person…has been incredibly helpful," and "having someone at Kānoa to talk to was very helpful."

Challenges/potential opportunities

There was a perception that multiple channels lacked transparency. Many respondents felt a robust assessment process was necessary, and several commented that there appeared to be different avenues for consideration, creating the potential for differing views on opportunities. Some questioned the speed with which applications could be declined, suggesting this might be influenced by a perceived risk that Ministers could revive applications—where decisions had already been made not to proceed—in slightly modified forms that might then progress. Others expressed concern that applications received outside a formal process might lack transparency or the same level of rigour. Conversely, some felt that if an opportunity were of sufficient scale, it was sensible to take it directly to Ministers.

A minority raised concerns that condensed summaries of applications were provided to Ministers. They felt that, without verification or consultation with the applicant, these summaries could lead to misinterpretation of the proposal's intent.

There were also noted resourcing challenges. Several respondents remarked that the application process demands a substantial amount of information across multiple iterations, requiring significant upfront investment despite uncertain outcomes. This was seen as placing considerable resourcing pressure on applicants, particularly when compounded by ad hoc reporting requests. A few described the process as daunting, while others suggested MBIE itself might face resourcing constraints, potentially contributing to processing delays.

These are perhaps more illustrative examples of more general themes of communication and transparency which were highlighted as opportunities for improvement, with comments including the following:

> "Communication is king. We had to chase to get information about the status of our application."
>
> "From application onwards communication is low… even if funding is not approved it is great to understand why."
>
> "We were often unclear where our application was in the process and heard through other channels that it had not been successful well before we heard from Kānoa."
>
> "Transparency and fairness. We suspect that the Minister plays favourites…"

The timeliness and efficiency of the process were also criticised by survey some respondents. Respondents described long decision-making delays alongside very short-notice information requests:

> "At times we have been required to provide short notice information to meet known deadlines. This has affected the quality of the inputs at times."
>
> "Shorten the timeline from application to decision."

Other observations

There were queries on the degree to which the RIF is regionally led. While links to regional development priorities/plans are included in the evaluation criteria, some of those interviewed commented on a sense that initiatives were being pushed out by central priorities and/or overly focused on a particular investment logic when other opportunities may meet local interest and meet outcome objectives.

Relevant recommendations

Given the above, in addition to prior recommendations we recommend the following:

C.1 Agree and implement appropriate and consistent communication channels so that applicants are able to know the status of their applications over time and reasons for decisions.

C.2 Consider potential opportunities for improving the timeliness of decisions and communication of these, noting the need to balance this with: i) the quality of analysis and advice; ii) having sufficient mechanisms to consider the relative merit or fit within the wider RIF and its priorities where possible; iii) retaining the ability to adjust elements of applications in order to better meet requirements/objectives.

C.3 Assess all initiatives under consideration for funding against the common evaluation template, as is currently the practice, ensuring consistency with shared guidance and moderation of judgements.

C.4 Consider: i) the feasibility of consulting applicants on elements of Kānoa's advice that summarise the nature of the opportunity (while reserving the right to provide its independent advice and check the validity of information provided), and ii) how Kānoa could support applicants to manage the requirements over time and relative to the likelihood of success (noting that there may be little more that's possible beyond pre application engagement and support in understanding and completing application requirements).

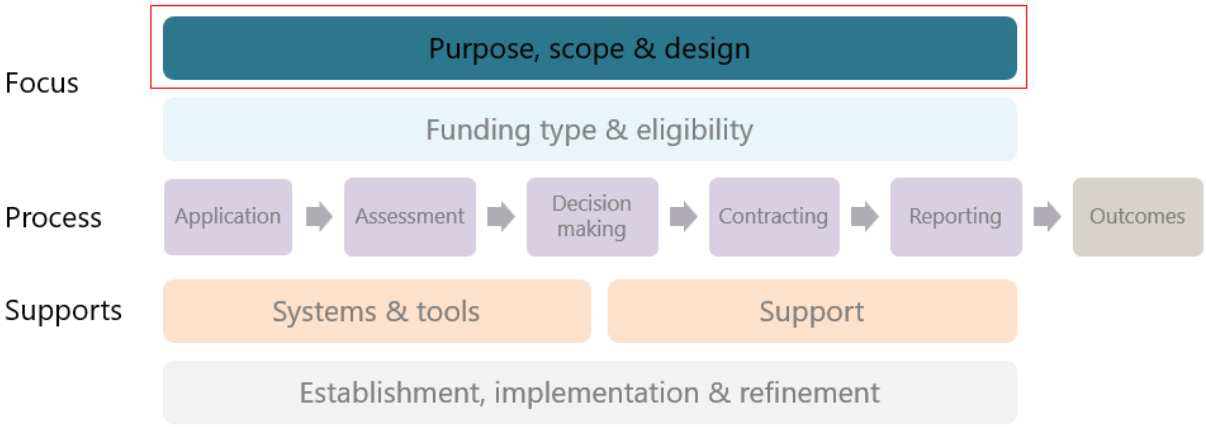
7. RIF's purpose, scope and design

There are some perceptions of an evolving and ambiguous focus and uneven application of the RIF, while the monitoring and evaluation framework and post-completion reporting are seen as positive.

Relevant context

This section focuses on our findings in relation to RIF purpose, scope and design, with Figure 28 illustrating how this fits as one of the areas of focus for our evaluation.

Figure 28: How the RIF purpose, scope and design component fits within the areas of focus for our evaluation



As discussed in section 2, the RIF's:

- **purpose** is to lift productivity to grow regional economies and New Zealand's resilience
- **scope** includes investment in building new infrastructure as well as developing, upgrading and improving existing infrastructure, with eligibility set out in Table 4 and the investment strategy outlined in Appendix B
- **design** involves the provision of grant, loan, or equity co-funding for eligible investments, with the appropriate form of investment informed by strategic alignment, commercial potential, and implementation difficulty.

Information about this is available on Kānoa's website, as well as other context and supporting information such as background decisions in establishing the RIF, the RIF's monitoring and evaluation framework, the process relating to individual funding applications, and standard terms for loan agreements. In addition, information on investment priorities and principles and eligibility criteria is available with a link to an application form (and instructions on how to apply, including registering for RealMe which is required to access the online application form).

Kānoa has an internal evaluation template that includes an assessment against eligibility criteria and their contribution to RIF outcomes. The template also covers other aspects such as the nature of the

investment sought, how it will be managed, and considerations of viability and risk (this is discussed further in section 2.5).

Assessment

As summarised in Table 14, we consider the purpose, scope, and design of the RIF to be important for achieving the intended outcomes. At this stage of implementation, performance appears consistent with expectations, though there are potential opportunities for improvement, particularly regarding the clarity and consistency of application across the eligibility requirements, which—while transparently set out—are also quite complex.

Table 14: Assessed importance, performance and opportunities of the RIF's purpose, scope and design

Consideration	Assessment scale		
Importance to outcomes		Important	
Performance expected		Met	
Opportunities for improvement		Some	

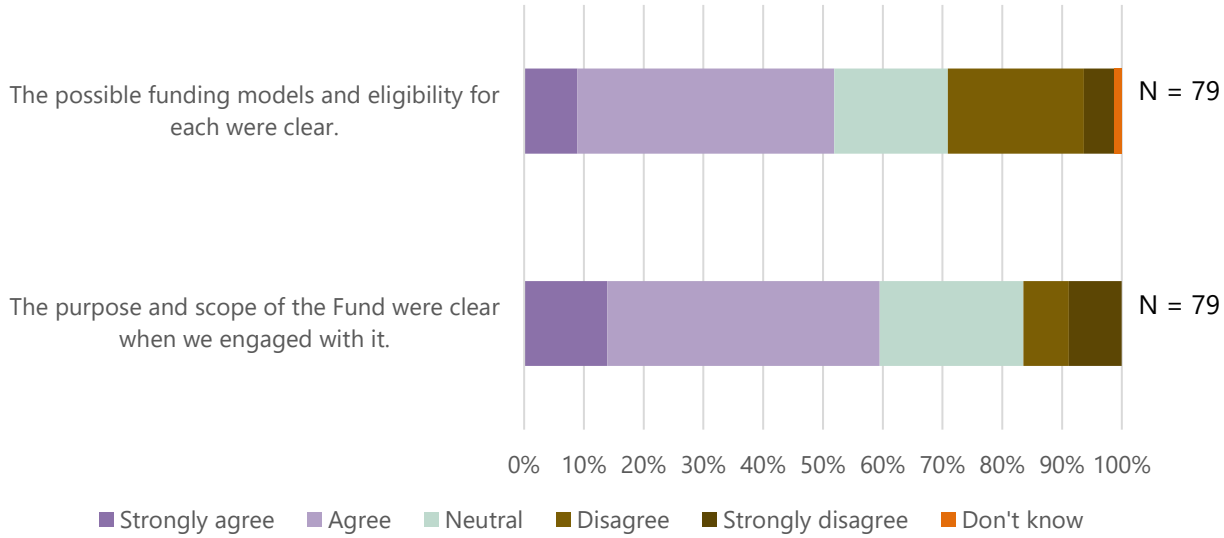
Evidence

Figure 29 presents the high-level results from our survey on the clarity of the RIF's purpose and scope, as well as the clarity of its funding models and eligibility criteria. The majority of respondents agreed or strongly agreed that these aspects were clear, although a large proportion were neutral, and some disagreed or strongly disagreed. Disagreement was more pronounced regarding the clarity of the possible funding models and eligibility requirements.

Although the sample size was smaller, there was a higher level of disagreement among community organisations[20] across both questions. However, some degree of disagreement was evident across all respondent types, including iwi/Māori organisations, local government, private businesses, community organisations, and those who selected "other."

[20] Four out of seven disagreed with the statement that 'the possible funding models and eligibility for each were clear,' and three out of seven strongly disagreed with the statement that 'the purpose and scope of the RIF were clear when we engaged with it.'

Figure 29: The purpose and scope of the RI were clear when we engaged with it



Key positives

Across interviews and the survey responses to open-ended questions, positive elements that were noted included that online materials were accessible, the Kānoa advisors that applicants engaged with were supportive, and that the RIF aligned with applicants' own goals:

> "It was all online and available to see."
>
> "The Kānoa advisors were extremely responsive and proactive in updating us on shifting priorities."
>
> "The overarching purpose of the fund… strongly aligned with our own goals."

We noted that the development of the monitoring and evaluation framework and introduction of associated reporting, including post-completion reporting (the first of which was received during our review), were positives. These help particularly in addressing recommendations made by the OAG in relation to its review of the PGF reset, which suggested that more attention to monitoring and evaluation were required (Office of the Auditor-General New Zealand, 2023).

Challenges/potential opportunities

In terms of areas that were less liked or presented potential opportunities, interviews and survey responses indicated perceptions of an evolving and ambiguous focus:

- The evolving aspect is implicit in the second quote above as well and is perhaps illustrated in terms of very initial shifts in what the focus areas were and the allocation of funding across focus areas.
- Others felt that it was unclear how much funding they could or should apply for (and how that might impact their likelihood of success), the level of co-funding required, and what

investments were eligible – particularly what would be considered "hard infrastructure" or "private companies" and the degree of eligibility or priority depending on this. This included apparent inconsistencies within Kānoa in terms of requirements and eligibility (where there appeared to be informal understandings or interpretations being made about what might be more likely to be funded in practice). Applicants also indicated that it was unclear how different criteria were weighted when applications were assessed and whether there were particular thresholds that applied either in relation to eligibility or evaluation.

- For instance, we received comments such as:

  "[Our] project was for less than $1m but… it was accepted as a project to be assessed but then declined because it was too small. Clarity is required early in the process to avoid people wasting their time."

  "Greater clarity early in the process around the types of infrastructure that qualify… would be valuable."

  "the mix of funding options promoted… was not matched by the actual options (mainly loan)."

  "The purpose seemed to get changed during the process. It needed to have been defined clearly from the start."

  "The key aspects of the fund were not apparent at the start. It had a very convoluted online application system."

  "additional guidance on what proportion of a commercially led project might still qualify… would help applicants self-assess their fit more accurately."

There was also a perception of uneven application. Some respondents felt that the treatment of applications could vary depending on the regional lead involved or the timing of the application, with a particular sense that grants had become more difficult to access over time. Despite the use of an evaluation template, a review of some assessments suggested a risk of differing interpretations or emphasis across certain aspects—though this may partly reflect the nature of individual investments. One suggestion was to make the evaluation criteria, scoring, and weightings more explicit, consistent with common practice in open government procurement.

Other observations

Another observation raised during interviews was the strong focus on progressing funding and projects. This was evident in early papers that emphasised when funding would become available and in comments on the intention to have the RIF fully allocated by July 2025. This focus is likely to have contributed to a perception that funding has become harder to access, as there are now more applications for funding than resources available, creating a greater need for prioritisation when demand exceeds eligible supply.

While we understand the desire to achieve impacts as quickly as possible, it should also be noted that those best prepared to present their case or proceed immediately are not necessarily the investments that would have the greatest impact or make the largest contribution to the RIF's overarching objectives.

Relevant recommendations

Given the above, we recommend the following:

D.1 Apply careful change management if altering the Fund's focus.

D.2 Establish and embed clear communication channels to ensure all RIF managers understand eligibility criteria, applicant requirements, and the significance of evaluation objectives.

D.3 Clarify external guidance on eligibility criteria, applicant requirements, evaluation objectives, target funding amounts, and recipient attributes. Extend and simplify existing guidance where possible (e.g., provide clarity on "hard infrastructure" versus the more ambiguous "systems").

D.4 Provide internal guidance for Kānoa when completing evaluations, including common definitions, thresholds, and bases for judgements. Strengthen the effectiveness and consistency of moderation processes.

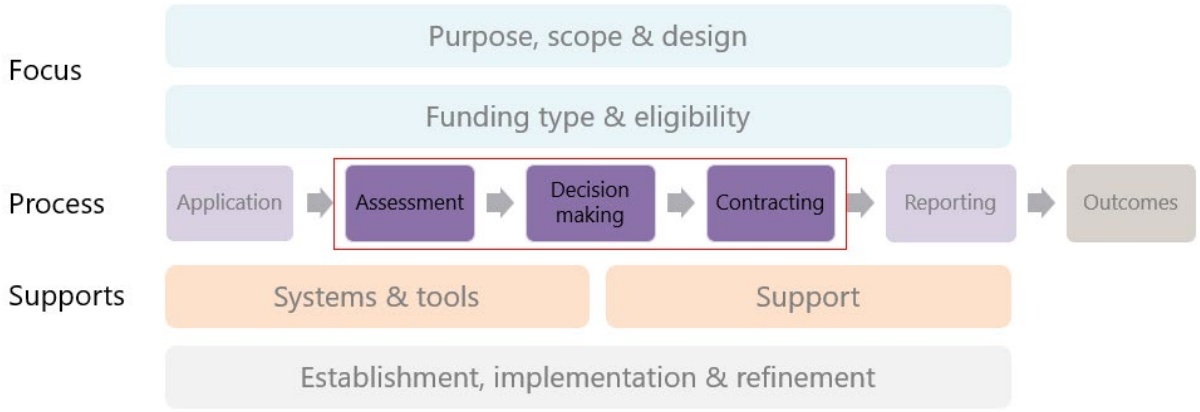
8. Assessments, decision-making, and contracting/agreements

There are queries on potential variation in the level of transparency/consistency of assessment and decision-making. Timing challenges were also raised, noting delays can impact projects, and contracting terms were considered stringent by some potentially not differentiating risks across projects or without clear guidance on when certain powers might be exercised.

Relevant context

This section focuses on our findings in relation to RIF assessments, decision making and contracting, with Figure 30 illustrating how this fits as one of the areas of focus for our evaluation.

Figure 30: How the RIF assessments, decision making and contracting components fit within the areas of focus for our evaluation



As noted in section 2, the assessment, decision-making, and contracting/agreements phases include the following:

- **Assessment (or evaluation):** Kānoa, usually based on the information provided by applicants, assesses the viability of the project, its overall fit with the objectives of the RIF, and the applicant's ability to deliver on the project. Depending on the complexity of the project, Kānoa aims for assessment to be completed between one and six months.
- **Decision-making:** Kānoa advises decision-makers on the applicant's project and submits recommendations to them. Decision-makers then consider the project for funding in a process that may take a further two to three months.
- **Contracting:** once approved, Kānoa works with successful applicants to negotiate a contract or agreement. The contract outlines what applicants are required to do before payments can be made. It also outlines ongoing expectations while the contract is in place. Depending on the complexity of the project, this process may take a further one to four months.

Assessment

As summarised in Table 15, we assess the RIF's assessment, contracting, and decisions as critical for achieving intended outcomes, and have performed as we would expect as this stage of implementation with some to significant potential opportunities for improvement as set out below.

Table 15: Assessed importance, performance and opportunities of the RIF's assessment, contracting and decisions

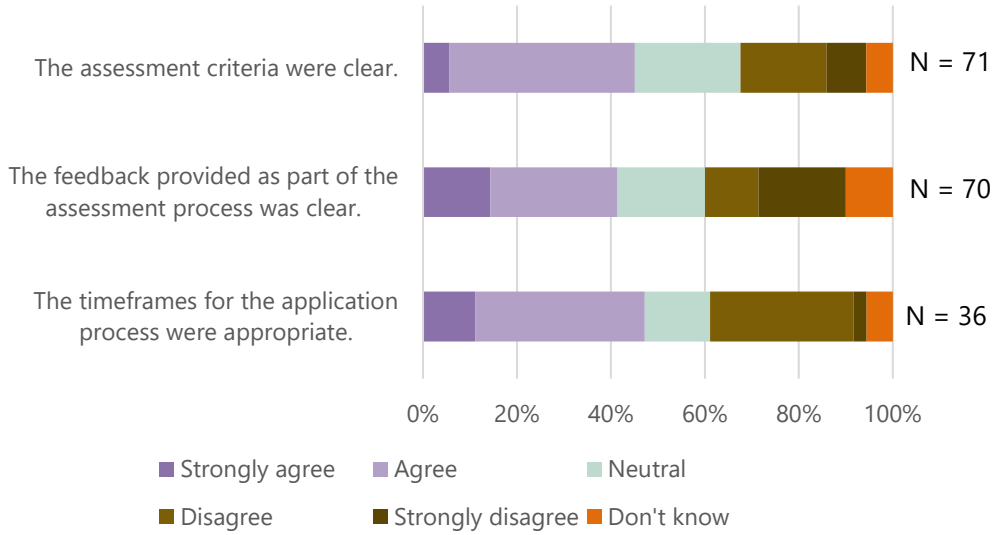
Consideration	Assessment scale		
Importance to outcomes			**Critical**
Performance expected		Met	
Opportunities for improvement		Some to **Significant**	

Evidence

Assessment phase

The Figure 31 below provides high-level results from our survey in relation to respondents' extent of agreement with statements about the assessment phase of the process.

Figure 31: Respondent perceptions of the assessment phase

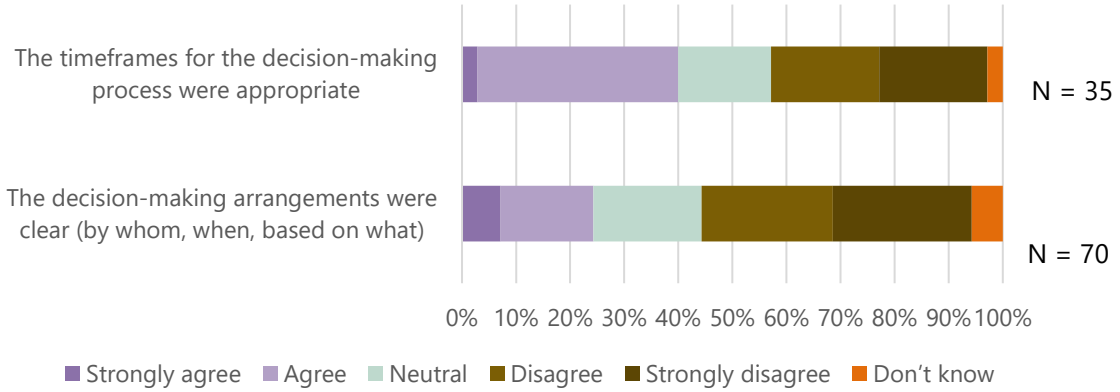


Although many respondents agreed that criteria and feedback were clear, a substantial proportion were either neutral or disagreed, indicating that how information was communicated and/or understood did not always meet stakeholder expectations. Divisions also appeared around the clarity of criteria and feedback, where sizeable groups reported dissatisfaction. Views on timeframes were also divided, with significant numbers both agreeing and disagreeing, though there were fewer respondents at the extremes. Overall, the results indicate a lack of consensus across all aspects of the process, pointing to potential need for greater clarity, timeliness and communication.

Decision-making phase

Figure 32 below provides high-level results from our survey in relation to respondents' extent of agreement with statements about the decision-making phase of the process.

Figure 32: Respondent perceptions of the decision-making phase

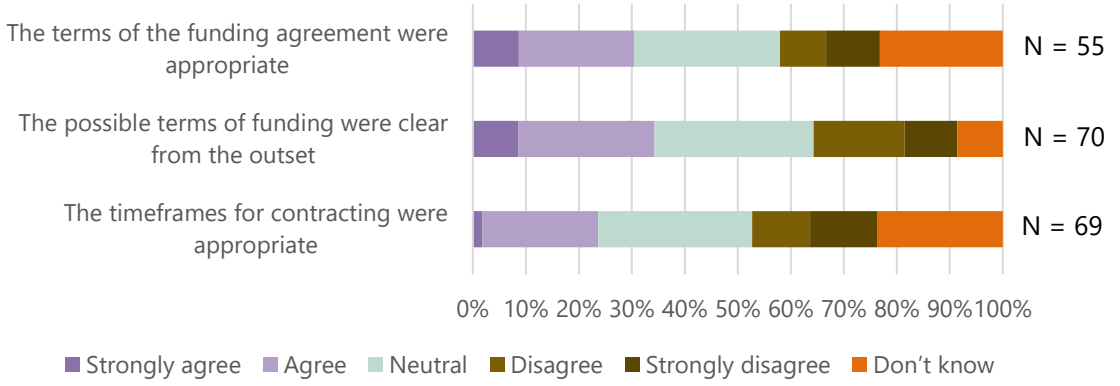


Views on the decision-making process were mixed, but most found it to be unclear. On arrangements for decision-making, levels of disagreement outweighed agreement, with a sizeable number of respondents either neutral or unsure, suggesting these arrangements were not consistently viewed as being transparent. We note there were fewer responses relating to decision-making timeframes. Nevertheless, those who elected to provide a response paint a split image with relatively few expressing strong confidence. Overall, the results indicate that decision-making was not well understood by many applicants, and that both clarity of process and timeliness remain areas the respondents feel could be improved.

Contracting/agreements

Figure 33 provides high-level results from our survey in relation to statements about the contracting/agreement phase of the process. We note there were fewer responses to this question than others (and a number answering "don't know"), which is understandable as only respondents who had experience of this phase would be well positioned to lend their views to it.

Figure 33: Respondent perceptions of the contacting/agreement phase



Results highlight mixed experiences with contracting and funding arrangements. Views on contracting timeframes were divided. Many respondents were neutral with a notable proportion disagreeing. Perceptions of funding terms also varied, but responses were weighted towards agreement. A large group were neutral, and a meaningful proportion disagreed, indicating expectations are not always transparent. On the appropriateness of funding agreements, responses were again split across the scale, with more respondents disagreeing than agreeing.

Taken together, these results suggest that while a portion of applicants were satisfied, there is no strong consensus on contracting and funding arrangements. The prevalence of neutral and "don't know" responses points to uncertainty or inconsistent communication, and indicates that greater clarity and transparency could potentially strengthen confidence in these aspects of the process.

Key positives

As indicated by the above, feedback as to what worked well in the assessment, agreement, and decision-making process was mixed. Those who did highlight positives pointed to clarity and guidance:

> "The criteria was clearer…"

> "Clear instructions [were] provided via phone call."

Applicants also valued the opportunity to engage directly with decision-makers (where this was the case):

> "It was helpful to have the opportunity to respond to questions so that application evaluators and decision makers were as informed as possible."

Other applicants emphasised the value of having a single, accessible point of contact within Kānoa. This made the process feel more straightforward and supported:

> "Single point of contact in Kānoa is great to have."

> "We were allocated a dedicated person to communicate with us."

> "Engagement with Kānoa representatives…was great and supportive. There was interest and encouragement as well as good advice."

Others found that timeliness, though inconsistent across the programme, sometimes worked in their favour.

> "Reasonably fast decision not to fund which didn't leave us hanging too long."

> "These processes were done in a timely manner, but we applied at the end of the application process."

> "Relatively good speed for Government which was great!!"

Challenges/potential opportunities

Again, as the survey results indicated, some applicants held negative views of the assessment, decision-making, and contracting/agreement phase. Applicants made a call for greater clarity, timeliness, and transparency in how assessments, agreements, and decision-making are handled under the RIF:

> "Assessments and decision-making timings kept changing leaving high levels of uncertainty. The agreement took five months to execution from the time of announcement making project planning difficult."

> "Timeliness – we are still awaiting a response after six months."

> "The system still hasn't updated with the decision on our application."

These applicants suggested improvements could be made by providing upfront timeframes and sticking to them:

> "Timeframes provided upfront, with examples"

> "The meetings could have been more scheduled even if there was nothing to report."

Communication gaps were also a common concern:

> "There is no clear process for assessment, or not one that is communicated in writing to applicants."

> "Better communication [and] immediate response on how my application has gone."

> "Communication post application and through the process could be improved, has been very limited."

The design of agreements also attracted criticism:

> "The agreements are designed for a commercial transaction with business…when a relevant template could be prepared at the start."

> "The assessment approach is clearly embedded in what MBIE thinks of as a procurement process, rather than a commercial investment decision making process. The assessment process and criteria seem completely incoherent."

As noted above (section 6), some interviewees also raised concerns about the apparently multiple channels of engagement. Issues were also raised regarding perceptions that Kānoa's powers under agreements may be excessive, or insufficiently differentiated depending on the project. In relation to timeframes, the contracting stage was most frequently identified in both interviews and the survey as being protracted, even once agreement appeared to have been reached. Stakeholders noted that such delays can affect construction windows, with significant consequences for overall project timelines.

Relevant recommendations

Given the above, we recommend the following:

E.1 Improve transparency in assessment and decision-making, including within the RIF Financial Instrument Assessment Framework.

E.2 Reduce the administrative burden on applicants where possible—particularly smaller applicants, community organisations, and lower-risk projects—by scaling application complexity to project size, risk, and phase.

E.3 Improve communication on the progress of applications.

E.4 Review the necessity of various requirements and enhance the flow of decisions and execution of agreements where possible.

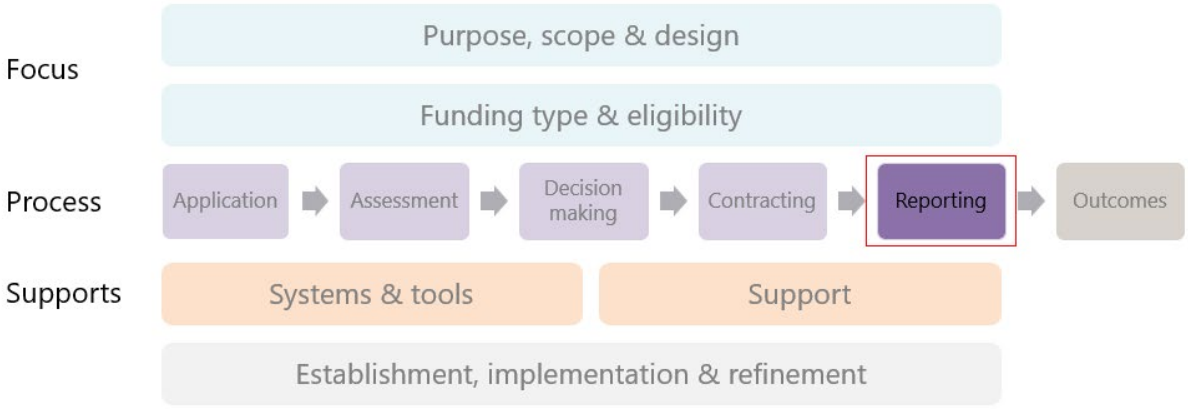
9. Reporting and learning

There is generally a clear process in place; however, stakeholders noted that reporting requirements have evolved over time—particularly in the early stages—requiring high levels of responsiveness to ad hoc requests, which created additional pressure for applicants. There is a strong focus on measurable outcomes. The reporting arrangements support the monitoring and evaluation framework and address some of the OAG's previous review findings, with some applicants noting that the templates are helpful. Others, however, felt that similar information is sometimes requested multiple times through different channels, and that not all measures are relevant or meaningful in every context.

Relevant context

This section focuses on our findings in relation to RIF reporting, with Figure 34 illustrating how this fits as one of the areas of focus for our evaluation.

Figure 34: How the RIF reporting component fits within the areas of focus for our evaluation



As noted in section 2, a monitoring and evaluation framework has been established for the RIF which looks to address one of the recommendations from prior OAG and Treasury reviews of Kānoa and the PGF. Key logic and outcomes underpinning this reporting framework are set out in Appendix B. This report forms one of the components that was agreed under the framework. Other established components are regular (monthly and quarterly) project reporting, and post-delivery project reporting to Kānoa that are then drawn on to inform regular reporting to Ministers and the public. For instance, in section 4 we highlight key points from the "Indicators for Outcome Report: June 2025 Quarter" that is intended to be made public.

In terms of learning, a number of those we spoke with noted the openness of Kānoa staff to feedback and improvement, and that several initiatives have been progressed or are underway to address issues as they are highlighted. For instance, efforts have been made against some of the OAG's findings highlighted in the box in section 2, such as establishing risk identification and management components as part of RIF applications and evaluations, developing and implementing the monitoring

framework, as well as apparent efforts to improve record-keeping. Further, efforts to improve cross-team integration will also support learning.

We are less clear how elements of the monitoring and evaluation framework enable feedback from observation of outputs and outcomes to how the RIF is being/to be managed (such as allocation of decisions factoring evidence to date of associated benefits from different project types). We note the monitoring and evaluation framework envisaged annual Kānoa lessons learned exercises which could be valuable in this space on top of existing efforts undertaken certain across teams.

Assessment

As summarised in Table 16, we assess the RIF's reporting and learning as critical for achieving intended outcomes, having performed just below or almost as we would expect at this stage of implementation and with some potential opportunities for improvement as set out below. In terms of performance, earlier implementation concerns were raised by some applicants and current performance has improved and would more likely meet expectations.

Table 16: Assessed importance, performance and opportunities of the RIF's reporting and learning

Consideration	Assessment scale		
Importance to outcomes			Critical
Performance expected	Below to Met		
Opportunities for improvement		Some	

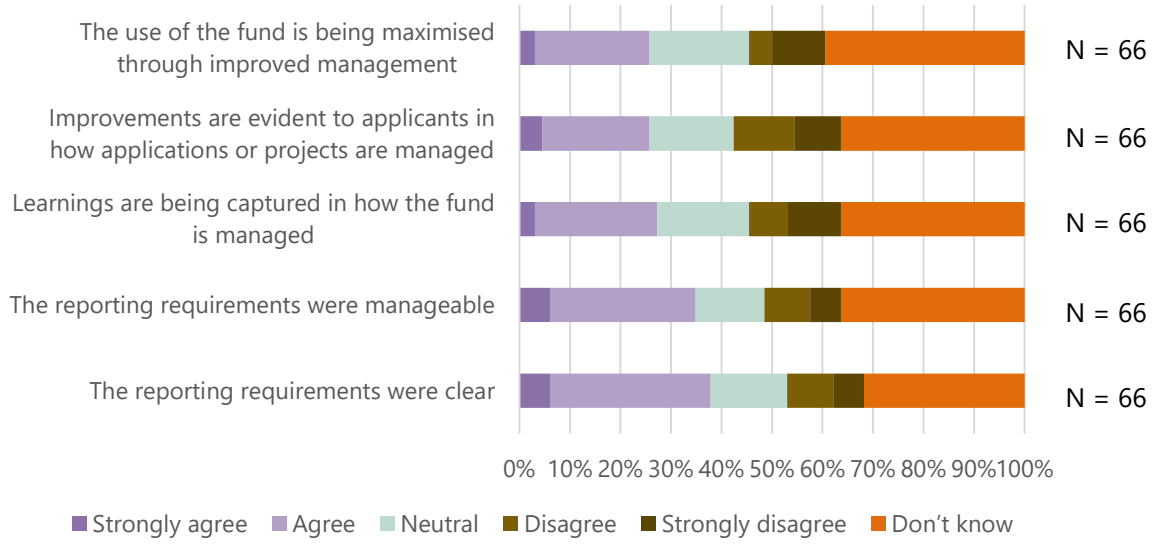
Evidence

Figure 35 presents the high-level results from our survey on reporting and learning. These questions appeared towards the end of the survey, and the latter questions covered aspects that may be less visible to some stakeholders—particularly those who did not ultimately apply or receive funding—so the high rate of "uncertain" responses is unsurprising in that context.

The results show the highest agreement that reporting requirements were clear and that these requirements were manageable. There was also more agreement than disagreement that learnings were being captured and improvements were evident. However, a significant proportion either did not know, were neutral, or disagreed.

By proportion, iwi/Māori organisations showed the greatest level of agreement across these questions (five out of 13), while community organisations (one out of 7) and the "other" category (zero out of 10) showed the least. Notably, none in the "other" category agreed that the reporting requirements were manageable, with most responding "don't know" or remaining neutral.

Figure 35: Survey sentiment in relation to reporting and learning



Key positives

Across interviews and the survey responses to open-ended questions, positive elements that were noted included that (as noted above) many felt the reporting process was clear. One person felt it was more straightforward than other sources of government funding.

Challenges/potential opportunities

As noted earlier, one of the challenges raised was the evolving and, at times, unclear nature of the initial requirements, which demanded a high degree of responsiveness—bringing both positive and negative consequences. Some participants commented that the reporting requirements were a work in progress at the outset, leading to frustration and additional effort. However, across discussions, there was a general sense that this had improved over time.

Where stakeholders perceived a lack of clarity, it typically related to the level of detail expected in responses to reporting questions. This aligns with other feedback indicating that discussions with Kānoa staff, alongside the use of templates, guidance, and examples, helped to provide clarification.

Other observations

A number of stakeholders noted that there was a focus on measurable outcomes. This clearly built off the reporting that had been established for other funds, and while some queried if the focus was the same, a number of applicants commented on a shift from PGF focus on jobs to broader outcomes. One applicant was critical that a focus on FTE did not sufficiently recognise the contribution and value of volunteer support.

Looking at Kānoa's "Indicators for Outcomes Report: August 2025 update" (2025a), we consider it important—consistent with the draft material—to emphasise that the indicators should be viewed as a

package and in the context of the many other influences affecting certain measures. For example, individual outcomes may not be attributable exclusively or solely to the RIF.

We also note that, while prior work has made the case for investing in flood protection (Te Uru Kahika Regional and Unitary Councils Aotearoa, 2023), others have pointed out that such defences may suppress the impacts of low to moderate events but do not eliminate the underlying risk. Furthermore, if these defences result in additional construction due to the levee effect,[21] they could in fact increase exposure to more extreme events (Dohmen et al., 2014; Fu et al., 2023; Storey, 2025; Tobin, 1995).

In addition, as noted in relation to outcomes, the net impacts would need to account for other factors such as the marginal cost of tax, opportunity cost, and any other costs or risks—including environmental impacts.

Relevant recommendations

Given the above, in addition to prior recommendations we recommend that Kānoa:

F.1 Consider how to leverage monitoring and evaluation insights to strengthen cross-team collaboration and improve the management and outcomes of the RIF.

F.2 Examine RIF outcomes in the context of wider potential impacts and costs.

[21] This is the effect where people believe in the absolute safety of levees or other structures and therefore build 'behind the wall,' meaning the relative losses of assets protected by the structures tends to be higher than would otherwise be the case if the levee is breached.

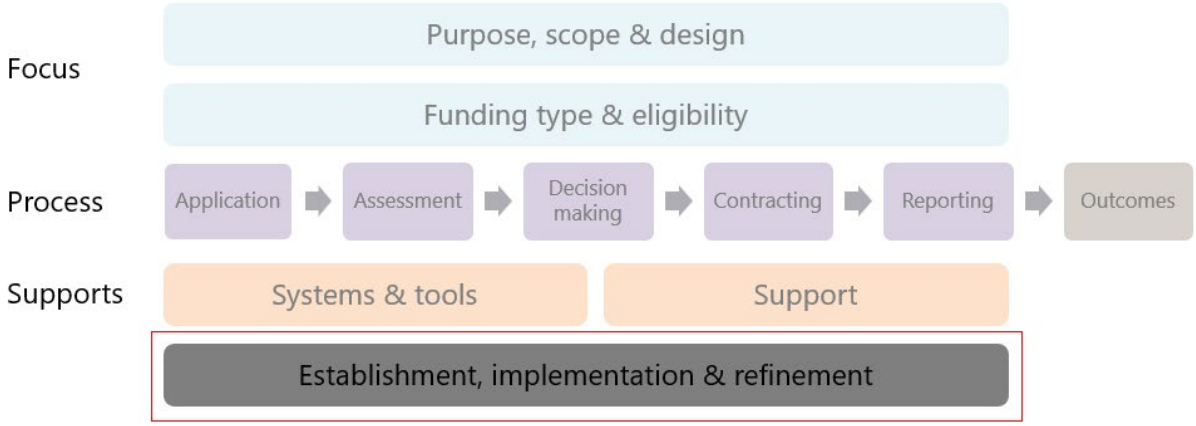
10. RIF's establishment, implementation and refinement

The governance, delegations, and internal and external processes and systems have been established. However, there are some possible improvements in internal coordination and consistency, including embedding good, common practices such that there is common understanding and confidence in relevant data.

Relevant context

This section focuses on our findings in relation to RIF establishment, implementation and refinement, with Figure 36 illustrating how this fits as one of the areas of focus for our evaluation.

Figure 36: How the RIF establishment, implementation and refinement component fits within the areas of focus for our evaluation



As discussed in section 2 and the prior subsections, the RIF's:

- purpose, scope, design, intended outcomes and eligibility criteria have been established
- governance arrangements and delegations for decisions-making have been agreed
- investment strategy and monitoring and evaluation framework have been established
- focus areas have been agreed, with subsequent refinements in coverage and intended allocation across components
- process, set-up, management and supporting systems and tools (including those to manage applications, assessments, contracting and reporting) have been established and in some cases refined (e.g. moved to the online Business Connect portal).

The RIF has been established and implemented with funding partly allocated and projects being delivered (with the first completed). The roles of Ministers, CRHL, and MBIE have been set out. In addition:

- there have been refinements in the fund's focus areas and allocation across these
- the framework to guide the use of different financial instruments has been agreed by Ministers
- the cadence of meetings to support decisions on applications by officials and Ministers has been embedded
- the interface with applications has been moved to an online platform
- the approach to coordinating inputs within Kānoa and to engaging with Ministers across applications has also been refined.

Assessment

As summarised in Table 17, we assess the establishment, implementation and refinement of the RIF as important for achieving intended outcomes. The RIF has performed as we would expect at this stage of implementation with some potential opportunities for improvement as set out below, particularly in relation to coordination across Kānoa.

Table 17: Assessed importance, performance and opportunities of the RIF's establishment, implementation and refinement

Consideration	Assessment scale		
Importance to outcomes		Important	
Performance expected		Met	
Opportunities for improvement		Some	

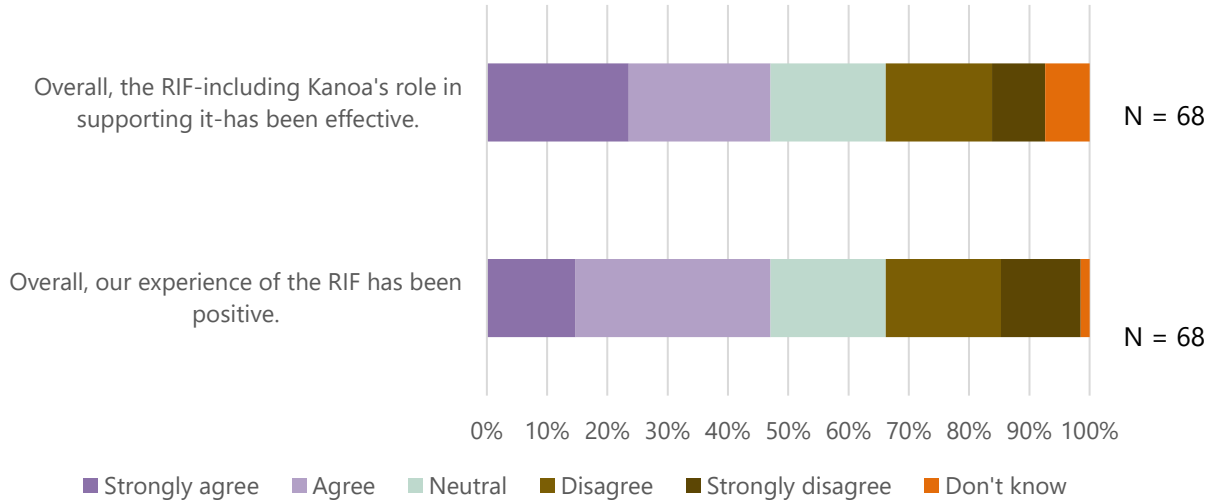
Evidence

Figure 37 presents the high-level results from our survey on whether applicants' overall experience of the RIF has been positive and whether Kānoa's role in supporting it has been effective. These questions appeared at the end of the survey and attracted fewer responses than earlier questions. As with all survey questions, there was greater agreement among applicants who had successfully secured funding (15 out of 16).

The results show that the most common response was agreement, although a significant proportion were neutral or disagreed. While the sample size was smaller, community organisations[22] showed a higher proportion of disagreement, although some level of disagreement appeared across all respondent types. In relation to Kānoa's role, there were more respondents who strongly agreed, fewer who strongly disagreed, and a higher number who indicated "don't know."

[22] 4/7 disagreeing or strongly disagreeing to the statement that "overall, our experience of the RIF has been positive," and 3/7 disagreeing to "overall, the RIF-including Kanoa's role in supporting it-has been effective."

Figure 37: Overall experience of the RIF and its effectiveness



Key positives

As noted, key positives involved leveraging existing systems to get the RIF up and operating, and in establishing aspects recommended in prior reviews, including a monitoring and evaluation framework and approaches for financial and probity due diligence as well as risk management. As noted above, comments were also positive on the support provided to applicants by Kānoa advisors:

> "The support and guidance from Kānoa (and our contact in particular) has been very good."

> "We appreciate the [RIF's] noble mission, and the support provided, especially from the Kānoa advisors."

Other positive efforts included the establishment of "tiger teams"[23] and cross-team meetings to draw on resources with different skillsets and areas of focus across Kānoa, as well as coordinating engagement with Ministers on the RIF through one senior point of contact.

Challenges/potential opportunities

In addition to the points noted above regarding clarity, transparency, and consistency, potential opportunities identified include further building on existing efforts to improve coordination and integration across Kānoa. This would involve ensuring clarity on which roles or teams should contribute to specific issues, defining what individual data requests are seeking and how the information will be used, enabling data to be shared and leveraged across teams, and maintaining the quality of reported data.

[23] Tiger teams are groups of specialists assembled to work on a specific goal or problem.

For example, it was unclear to us how much confidence should be placed in information captured across teams, as seemingly similar projects were, in one case, considered as contributing to Māori economic development and, in another, not—suggesting that common understanding and practices are needed to ensure consistency and reliability.

Other relevant opportunities are outlined in the specific sections below on systems and processes (including usability, access, and timeliness) and Kānoa's support.

Other observations

Some of the challenges that were raised in interviews included:

- difficulties in distinguishing the RIF from the PGF—both among applicants and, initially, within Kānoa. Some of the initiatives discussed above have helped to address this internally, and the publication of material relating to the RIF, along with regular reporting across Kānoa funds, should further assist.
- potential differences in ministerial views on the government's role. The focus areas, investment strategy, monitoring and evaluation framework, and financial instruments assessment framework are all designed to support a collective, consistent understanding.
- a slower economy, greater borrower and investor caution following COVID-19, consenting delays, and changes to the RMA, including delays to the fast-track legislation, have all potentially affected the ability to identify and advance suitable projects. Nonetheless, engagement by regional leads, Kānoa's sector studies, and the ability for applicants to self-identify and approach Kānoa continue to assist in identifying opportunities.
- standard processes available to Kānoa may not fully align with the level of information needed or the specific requirements of infrastructure projects. Existing systems, evaluation templates, and application and reporting forms have therefore been adapted with deliberate focus to meet the RIF's needs.
- a sense of "building the plane while flying it," with aspects being refined or developed while the RIF was already managing applications and projects. This occurred alongside a restructure of MBIE, which may have contributed to some of the views expressed about evolving processes and to perceptions among some applicants that Kānoa's resourcing could be a constraint.

Relevant recommendations

Given the above, in addition to prior recommendations we recommend the following:

G.1 Clarify the roles and inputs across teams to ensure clear interfaces throughout the RIF process—from pre-application through to reporting and supporting systems.

G.2 Establish common data definitions, ensure data quality through assurance or peer review, and explore further opportunities to share knowledge and collaborate across teams.

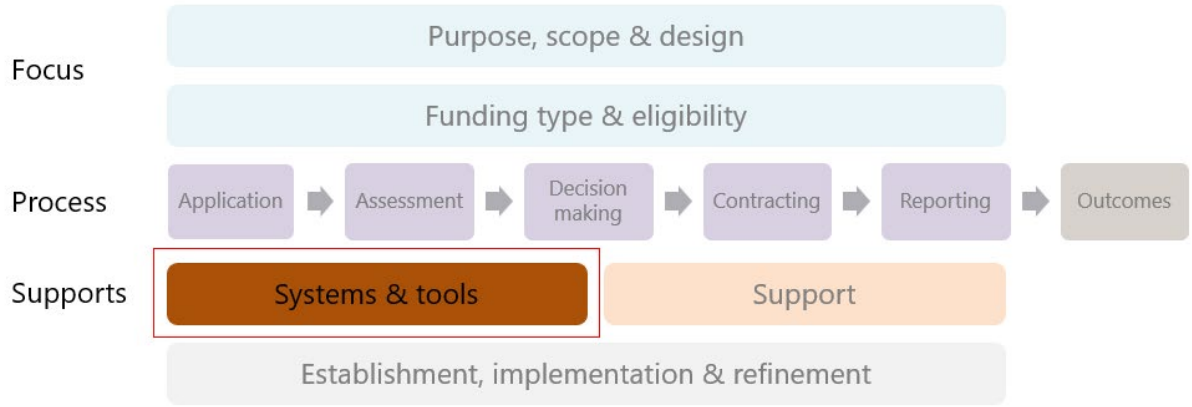
11. Systems and tools used in managing the RIF

Kānoa has leveraged existing systems and sought to evolve these to meet the RIF's focus and enable opportunities. Some users experienced interface challenges with MBIE's systems, and we query how consistently internal templates have been applied as well as moderation practices across assessments (though Kānoa has some initiatives underway to try to address this).

Relevant context

This section focuses on our findings in relation to RIF systems and tools, with Figure 38 illustrating how this fits as one of the areas of focus for our evaluation.

Figure 38: How the RIF systems and tools component fits within the areas of focus for our evaluation



As noted in section 2.4, the key systems that are used in relation to the RIF include:

- **Business Connect**, which provides the application and reporting templates for users to submit information to Kānoa (with the templates summarised in Appendix E)
- **Pipedrive CRM**, which is a CRM system that Kānoa staff use to track engagements and information across applicants, contracts, and projects
- **Mako**, which is the file management system Kānoa uses.

Supporting these functions, the data warehouse captures additional information, enabling integration across all sources and facilitating the utilisation, analysis, and presentation of data through the Power BI tool. Externally, alongside the Business Connect portal for applicants, information and guidance are also available on Kānoa's website. The transition to Business Connect took place during the current process, meaning some stakeholders may have interacted with earlier versions of the application form or reporting templates.

Assessment

As summarised in Table 18, we assess the RIF systems and tools as important for achieving intended outcomes, and having performed as we would expect as this stage of implementation with some potential opportunities for improvement as set out below, particularly in relation to coordination across Kānoa.

Table 18: Assessed importance, performance and opportunities of the RIF's systems and tools

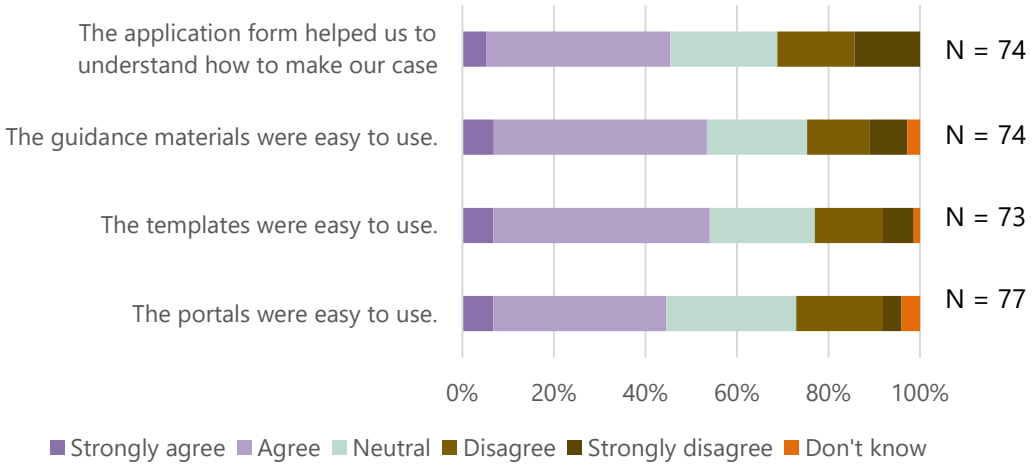
Consideration	Assessment scale
Importance to outcomes	Important
Performance expected	Met
Opportunities for improvement	Some

Evidence

Figure 39 provides the high-level results from our survey in relation to the ease of use and effectiveness of the systems used in relation to the RIF. As with many of the other questions, the results show that the most common response was agreement, but a significant portion were neutral or disagreed.

As a proportion, there was least agreement from local government[24] and other groups on the ease of use of portals and templates, with a small portion of local government agreeing that guidance materials were easy to use. The sample group includes some that were engaged with pre-application but did not apply, so it is not surprising that there are some uncertain answers. However, it is also possible that some respondents were either not aware or not the ones engaged with these systems, with others being responsible or Kānoa staff assisting with certain aspects.

Figure 39: Ease of use and effectiveness of RIF systems



[24] Seven out of 14 disagreeing, or strongly disagreeing.

Key positives

As touched on above, many stakeholders were positive about the ease of navigation and clarity of the systems they interfaced with, and particularly Kānoa's support in navigating them. However, these were certainly not universally held views and some parties highlighted both aspects as having room for improvement. Positive comments in relation specifically to Kānoa's systems and tools included the following:

> "The online application portal was clear and user friendly, allowing us to upload documentation including equipment quotes, site plans, and financial models without issue."
>
> "It was easily spelt out and easy to navigate."
>
> "Form was a good length and didn't require an onerous amount of detail."
>
> "The portal and templates were relatively easy to follow."
>
> "The templates and guidance materials were nice and clear. Templates are always great as it makes it super clear what information is required."
>
> "Guidance was easily accessible."
>
> "Good to have an Excel template for financials."
>
> "The Business Connect portal is relatively easy to use."
>
> "Automatic confirmation of submission and the ability to review what had been uploaded gave us confidence that materials were received correctly."
>
> "The system supported a clear distinction between stages of the process…which helped manage workflow and documentation."

There were a number of other comments in relation to the support of Kānoa staff:

> "Access to an investment adviser who can help to make things happen."
>
> "The ability to talk with local MBIE team to get any issues resolved."

Specific features of the systems and tools being emphasised included:

- the use of templates and ability to use Excel for financial information
- the ability to review applications (noting some concerns were raised on the ability to save and share for review prior to submitting below)
- confirmation of submissions
- supporting distinctions and requirements across stages of the process.

Challenges/potential opportunities

As noted above, there are several challenges or concerns that were raised from interviews and surveys that contrasted with the positive sentiments highlighted above:

> "…it's a complete nightmare trying to navigate the process."
>
> "It was a complete stuff up."
>
> "It was a bit of a nightmare really. I ended up donating my time as a beta tester for the web-based system to help them."
>
> "Fundamentally they have tried to triage applications electronically instead of working with personnel."

Moving to more specific feedback, there may be discrete opportunities to address particular issues—most notably regarding the application form and its associated guidance. Specific concerns raised about the application form included insufficient space for text, information being lost, lack of a save function, and the inability to use macrons. In some cases, the previous PDF version of the form was used as a workaround.

With the changes Kānoa has implemented, it is possible that some of these concerns related to earlier versions of the PDF application form. Nonetheless, we suggest they should be reviewed where they remain relevant and could feasibly be addressed. Comments included the following:

> "The application form is a disgrace and needs to be completely re-thought."
>
> "The PDF template application document wasn't user friendly – very challenging to use."
>
> "The form doesn't have sufficient space and is clunky in some places."
>
> "When we were loading our application, the portal timed out and made loading our information challenging."
>
> "It [the editable PDF form] did not allow multiple people to work on it at once. It also did not save text when sending via email to work colleagues. By far would have been the worst funding application document we have used before."
>
> "Turns out if you use punctuation or macrons you cannot move on with the system."
>
> "Perhaps more space to provide project detail."
>
> "It felt like the portals were designed to shut people out of the process…text-limited fields made it very difficult to communicate a complex or large proposal."

Some suggestions were also made, such as allowing applicants to upload short video pitches for decision-makers or moving the system to a portal like the Ministry for the Environment uses.

A small number of comments relating to staff included the following:

> "Officials need to have some commercial experience…we've had to spend far too much time educating MBIE staff about basic commercial concepts."
>
> "Dump the present system and start again with more experienced staff."

Other observations

As noted in other sections, while Kānoa uses common folder structures and systems, there are numerous fields and indicators where information can be recorded, yet practices do not always appear consistent. For example, as mentioned earlier, similar projects were in some cases classified as contributing to Māori economic development and in others not. In such areas, establishing common data definitions, processes, and clear approaches—supported by guidance and training on interpretation—would likely be beneficial.

Relevant recommendations

Given the above, in addition to prior recommendations (including around common data definitions and practices), we recommend the following:

H.1 Review the application form and other templates to identify opportunities to improve functionality—particularly regarding saving and sharing in-progress work, text limits, support for macrons, and overall system stability. These enhancements should be considered alongside any broader system adjustments, while balancing them against stakeholder concerns about perceived changes to the application context.

H.2 Assess whether Kānoa staff have sufficient commercial training and whether adequate commercial expertise is being made available to applicants.

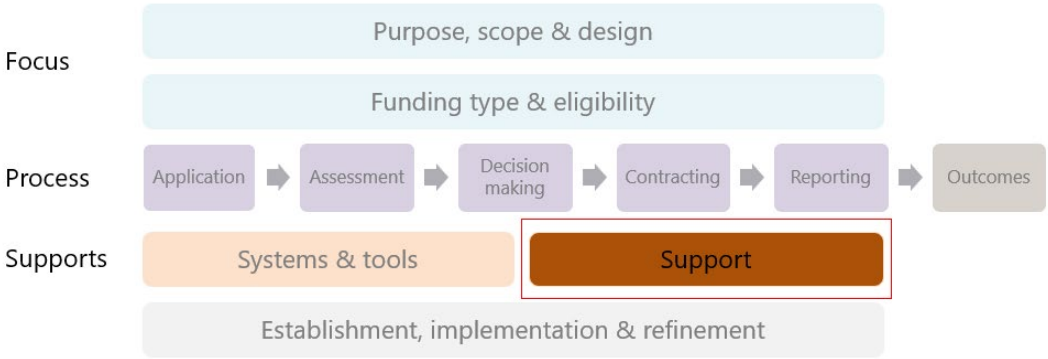
12. Support and engagement

Kānoa staff were generally very highly praised, though a small number felt insufficient commercial expertise was available to them. Coordination, rigour, and consistency appear to be the main areas that could be worked on.

Relevant context

This section focuses on our findings in relation to RIF support and engagement, with Figure 40 illustrating how this fits as one of the areas of focus for our evaluation.

Figure 40: How the RIF support and engagement component fits within the areas of focus for our evaluation



Support and engagement refer to the quality of interactions and assistance provided by Kānoa/MBIE throughout the application journey. This includes how well staff helped applicants to interpret requirements, develop, and refine proposals, and resolve issues as they arose. Effective engagement would not only guide applicants through a complex process but also build confidence that their applications were being considered fairly and with a genuine understanding of local context and priorities. Section 2 describes how Kānoa teams are set up and the process through which they interface with applicants to provide support, communication, and analysis.

Assessment

As summarised in Table 19, we assess the RIF's support and engagement as critical for achieving intended outcomes, and having performed as we would expect as this stage of implementation with some to significant potential opportunities for improvement as set out below.

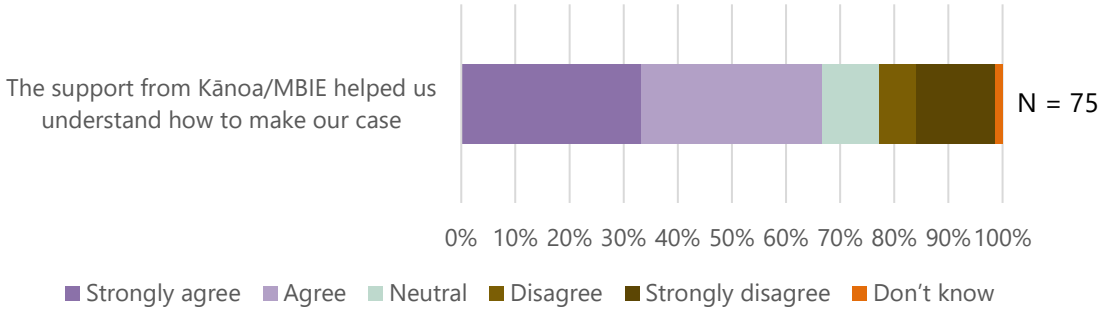
Table 19: Assessed importance, performance and opportunities of the RIF's support and engagement

Consideration	Assessment scale		
Importance to outcomes			Critical
Performance expected		Met	
Opportunities for improvement		Some to Significant	

Evidence

Figure 41 provides high-level results from our survey in relation to the support and engagement applicants received from Kānoa/MBIE throughout their application process.

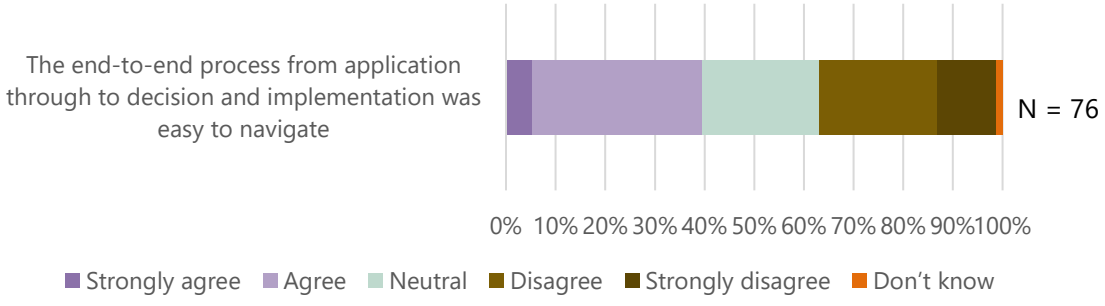
Figure 41: Respondent perceptions of support and engagement from Kānoa/MBIE



The results strongly indicate that Kānoa and MBIE support play an important role in helping applicants shape their proposals. A clear majority of applicants (50 out of 75) agreed that this support helped them understand how to make their case, highlighting the value of such guidance in navigating the fund's requirements. However, a notable minority (16 out of 75) disagreed or strongly disagreed, suggesting that the support was not universally perceived as effective. To some extent, this may reflect limitations in what such support can achieve, depending on the nature of individual initiatives relative to the RIF's focus.

Differences across applications may also indicate variability in how support is provided across regions, teams, or project types. This support remains particularly important given the number of applicants who found the end-to-end process—from application through to decision and implementation—challenging to navigate, [25] as shown in Figure 42.

Figure 42: Respondent perceptions of ease of navigating the process



[25] Twenty-seven out of 76 who disagreed, or strongly disagreed with the statement.

Key positives

Engagement and support from Kānoa and MBIE staff were frequently cited as a strength of the RIF. Having a named advisor or liaison made a significant difference, with several singling out individuals for their guidance and responsiveness:

> "The support from our liaison person…has been incredibly helpful."

> "Having someone at Kānoa to talk to was very helpful."

As noted above, a number commented on the openness of Kānoa staff to feedback and their importance in helping understand the process, what was needed, and to make their case.

Challenges/potential opportunities

While many applicants reported positive experiences with Kānoa and MBIE staff, feedback suggests these experiences may be shaped heavily by individuals. As a result, the quality of support may vary depending on the competency and dedication of particular staff members as well as the circumstances of the opportunity. The potential for inconsistency risks creating uneven applicant experiences, potentially disadvantaging some regions or groups.

A strong theme from applicants was a deficiency in communication and transparency:

> "Communication is king. We had to chase to get information about the status of our application."

> "From application onwards communication is low… even if funding is not approved it is great to understand why."

> "We were often unclear where our application was in the process and heard through other channels that it had not been successful well before we heard from Kānoa."

While the issue of communication and transparency could be addressed via multiple avenues, it is particularly well-suited to the strength of Kānoa/MBIE's locally based staff. Their role is already grounded in direct, trust-based engagement with applicants, and this provides a platform for more consistent and proactive communication. By setting clear expectations at the outset, maintaining regular check-ins regardless of progress, and ensuring timely feedback, staff may be able help applicants feel informed and respected throughout the process. Face-to-face engagement is especially valuable in clarifying decisions, providing context, and building confidence that applications are being considered fairly. Embedding these practices consistently across regions would not only address current frustrations but also strengthen the credibility and accessibility of the RIF.

As noted above, this trusted interface needs to be supported by well-integrated teams and effective decision-making and communication channels, ensuring that local staff remain closely connected to wider functions. Some stakeholders we engaged with suggested that greater clarity around roles and responsibilities would be beneficial, and noted a degree of repetition in the information requested, raising questions about the level of coordination and information sharing. This aligns with feedback

received across several forums, where Kānoa has acknowledged the issue and initiated efforts to address it, though further work remains to be done.

Relevant recommendations

Given the above, we recommend the following:

I.1 Identify and share best practices among Kānoa/MBIE staff in applicant engagement, using these to provide training and guidance that promote consistent support across all staff. Consider examining regions where experiences with Kānoa/MBIE staff are consistently weaker than elsewhere to inform improvement efforts.

I.2 Build on the strengths of Kānoa/MBIE's locally based, trust-focused staff to address concerns about inconsistent communication and transparency. This could be achieved by embedding consistent practices across all regions, including:

- setting clear expectations with applicants at the outset of the process
- providing regular check-ins and updates, even where there is no new progress to report
- ensuring timely and transparent feedback at all decision points, including clear explanations when applications are declined.

I.3 Standardise these practices and leverage the value of face-to-face engagement to reduce uncertainty for applicants, foster stronger relationships, and build confidence in the fairness and credibility of the RIF.

13. Answers to core questions from the original RFP

Table 20 provides high-level answers to the core questions set out in the original RFP and summarised in section 1:

1. What has worked well, and what has not worked so well?
2. What challenges have arisen and how effectively have these challenges been responded to?
3. What early assumptions and expectations have proven true, and what have not?
4. What is liked and disliked about the RIF?
5. How effectively are staff working together to operationalise the RIF?
6. What early inputs, outputs and outcomes are occurring?
7. What improvements and recommendations can be made?

Greater detail on each of these areas is provided in the discussions of each focus area in section 14.

Table 20: High-level answers to core questions from RFP

Question/consideration	Answer
+ Worked well	• Kānoa staff's support has helped applicants make their case. • Setting out focus areas provided clear areas that were in scope and able to be explored for support. • Leveraging systems and work to date has enabled projects to be progressed quickly. • Providing templates enabled people to understand requirements.
⚠ Not worked so well	• Stakeholders were not always clear on the RIF requirements or the settings and eligibility criteria for the RIF. • Concerns were raised over contracting terms and timeframes. • Iterations of reporting requirements and information sought at short notice had implications for applicants.
Challenges arisen and how effectively these were responded to	• Accessing and using online forms was a problem in certain instances. The solution in some cases was to provide editable-PDF versions, but this creates issues for data management further down the line. • Integration across teams has been a challenge. The establishment of tiger teams and regular meetings, drawing across Kānoa teams, attempts to address this.
✓ Early assumptions proven true	The assumption that the projects in the *Before the Deluge 2.0* report were ready to progress was true and meant these were able to be progressed quickly.

Question/consideration	Answer
Early assumptions not proven true	• The assumption that the terms “infrastructure” or “hard infrastructure” were broadly understood or could be consistently interpreted has not always been the case. • The assumption that some projects were “shovel-ready” has not always been the case. • The assumptions that contracting could be progressed in time for upcoming construction windows has not always proven true. • The assumption that aspects of the application evaluation template and supporting processes would result in consistent treatment across applications does not appear to always have been true.
Liked about the RIF	The support from Kānoa staff and the ability to progress projects were the most liked aspects of the RIF.
Disliked about the RIF	The impost of (early) reporting requirements, timeliness of contracting processes, and Kānoa powers in contracts were most disliked.
How well are staff working together?	Stakeholders had mixed views on this. The effectiveness of working practices has been an issue that some feel is improving, but we feel improving this further would add significant value.
Early inputs, outputs and outcomes	As of 14 September, nine projects have been completed with two project-completion reports completed. Work across 60 contracted projects (with a value invested of $208.1 million) is being completed with direct, indirect and indued GDP of $285 million. Employment (80 FTE) and resilience impacts relating to flood defence (defence for 201 structure, 254 km of road/rail, and over 775,000 ha of land) already being seen or anticipated.
Improvements and recommendations	See the following section.

14. Recommendations

Having provided detailed recommendations in the previous section, this section focuses on the high-level recommendations across the key areas of focus, before consolidating the more detailed aspects that offer further explanation or relate to specific applications.

14.1 High-level recommendations

Our high-level recommendations from most to least difficult include the following:

1. Strengthen integration, knowledge management, and governance at the fund level to consistently apply best practice and improve data quality, enable performance tracking, and support long-term learning.
2. Clarify the RIF's scope and eligibility criteria, especially distinctions between project types, co-funding requirements, investment size, and treatment of funding/applicant types.
3. Improve transparency in application assessment and decision-making, including the RIF FIAF.
4. Streamline application systems and improve usability, such as sufficient character limits, reliability, saving and sharing functionality, allowing macrons, and dynamic form logic.
5. Reduce the administrative burden on applicants, especially smaller applicants, community organisations, or lower risk projects by scaling application complexity to project size, risks, and phase.

14.2 Specific, detailed recommendations

Within our specific focus areas, our more detailed and specific recommendations are consolidated below (presented by focus area).

Outcomes: perceived effectiveness and impact

A.1 Clarify and ensure consistency in how Kānoa assesses the requirement that projects must be unable to progress without RIF funding, and how this criterion is weighted relative to other eligibility and evaluation criteria.

A.2 Consider opportunities for Kānoa to strengthen coordination with other government agencies to clarify the RIF's role relative to alternative funding sources and to guide applicants towards the most appropriate avenues for support.

Funding types/eligibility

B.1 Publish the RIF Financial Instrument Assessment Framework, noting it is used as a guide to the financial instruments it typically supports.

B.2 Clarify whether it is prioritising projects that evaluate best against certain (weighted) criteria, or funding those projects that meet criteria on a first in basis.

B.3 Review the RIF funding agreement terms and whether: i) various terms are needed; ii) Kānoa can clarify the conditions under which they are needed, and under which powers granted to the Crown would likely be exercised.

Application and overall process

C.1 Agree and implement appropriate and consistent communication channels so that applicants are able to know the status of their applications over time and reasons for decisions.

C.2 Consider potential opportunities for improving the timeliness of decisions and communication of these, noting the need to balance this with: i) the quality of analysis and advice; ii) having sufficient mechanisms to consider the relative merit or fit within the wider RIF and its priorities where possible; iii) retaining the ability to adjust elements of applications in order to better meet requirements/objectives.

C.3 Assess all initiatives under consideration for funding against the common evaluation template, as is currently the practice, ensuring consistency with shared guidance and moderation of judgements.

C.4 Consider: i) the feasibility of consulting applicants on elements of Kānoa's advice that summarise the nature of the opportunity (while reserving the right to provide its independent advice and check the validity of information provided), and ii) how Kānoa could support applicants to manage the requirements over time and relative to the likelihood of success (noting that there may be little more that's possible beyond pre application engagement and support in understanding and completing application requirements).

Purpose, scope and design

D.1 Apply careful change management if altering the Fund's focus.

D.2 Establish and embed clear communication channels to ensure all RIF managers understand eligibility criteria, applicant requirements, and the significance of evaluation objectives.

D.3 Clarify external guidance on eligibility criteria, applicant requirements, evaluation objectives, target funding amounts, and recipient attributes. Extend and simplify existing guidance where possible (e.g., provide clarity on "hard infrastructure" versus the more ambiguous "systems").

D.4 Provide internal guidance for Kānoa when completing evaluations, including common definitions, thresholds, and bases for judgements. Strengthen the effectiveness and consistency of moderation processes.

Assessment, contracting/agreements and decision making

E.1 Improve transparency in assessment and decision-making, including within the RIF Financial Instrument Assessment Framework.

E.2 Reduce the administrative burden on applicants where possible—particularly smaller applicants, community organisations, and lower-risk projects—by scaling application complexity to project size, risk, and phase.

E.3 Improve communication on the progress of applications.

E.4 Review the necessity of various requirements and enhance the flow of decisions and execution of agreements where possible.

Reporting and learning

F.1 Consider how to leverage monitoring and evaluation insights to strengthen cross-team collaboration and improve the management and outcomes of the RIF.

F.2 Examine RIF outcomes in the context of wider potential impacts and costs.

Establishment, implementation and refinement

G.1 Clarify the roles and inputs across teams to ensure clear interfaces throughout the RIF process—from pre-application through to reporting and supporting systems.

G.2 Establish common data definitions, ensure data quality through assurance or peer review, and explore further opportunities to share knowledge and collaborate across teams.

Systems and tools

H.1 Review the application form and other templates to identify opportunities to improve functionality—particularly regarding saving and sharing in-progress work, text limits, support for macrons, and overall system stability. These enhancements should be considered alongside any broader system adjustments, while balancing them against stakeholder concerns about perceived changes to the application context.

H.2 Assess whether Kānoa staff have sufficient commercial training and whether adequate commercial expertise is being made available to applicants.

Support and engagement

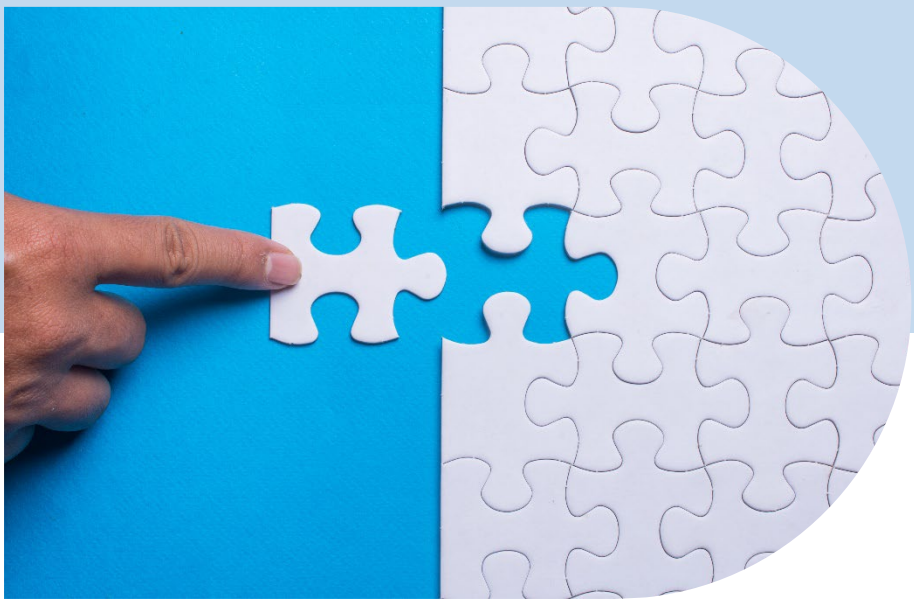
I.1 Identify and share best practices among Kānoa/MBIE staff in applicant engagement, using these to provide training and guidance that promote consistent support across all staff. Consider examining regions where experiences with Kānoa/MBIE staff are consistently weaker than elsewhere to inform improvement efforts.

I.2 Build on the strengths of Kānoa/MBIE's locally based, trust-focused staff to address concerns about inconsistent communication and transparency. This could be achieved by embedding consistent practices across all regions, including:

- setting clear expectations with applicants at the outset of the process
- providing regular check-ins and updates, even where there is no new progress to report
- ensuring timely and transparent feedback at all decision points, including clear explanations when applications are declined.

I.3 Standardise these practices and leverage the value of face-to-face engagement to reduce uncertainty for applicants, foster stronger relationships, and build confidence in the fairness and credibility of the RIF.

Part 3: Supporting material



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Appendix A Key inputs to this evaluation

We briefly set out below some of the key inputs that have informed our evaluation.

Key documents

The following were some of the key documents reviewed as part of the evaluation (though there were other documents shared by teams that were helpful for our evaluation as well):

Figure 43: Summary of key documents reviewed

RIF project data

- A dashboard of all Kānoa managed projects (Kānoa, 2025c).
- A detailed dataset of funded projects under the RIF.
- The online application form through Business Connect.

- RIF establishment cabinet papers:
  - Cabinet papers seeking approval to establish the Regional Infrastructure Fund (Ministry of Business, Innovation and Employment, 2024d, 2024a).
  - Cabinet paper on RIF detailed settings and drawdowns from tagged contingencies (Ministry of Business, Innovation and Employment, 2024e).
  - Cabinet paper seeking agreement to key high-level settings and to fund 42 flood resilience projects and relevant minutes (Ministry of Business, Innovation and Employment, 2024f, 2024e).

- Monitoring and evaluation framework cabinet paper:
  - Cabinet paper on monitoring and evaluating the RIF (including monitoring and evaluating framework) (Ministry of Business, Innovation and Employment, 2024b, 2024c).

- RIF position papers:
  - Cultural Institutions of Regional Significance (Kānoa, 2024a).
  - Food Production (Kānoa, 2024b).
  - Māori Economic Development (Kānoa, 2024c).
  - Resilience Infrastructure for Extreme Weather Events and Climate Change Impacts (Kānoa, 2024d).
  - Transport and Supply Chains (Kānoa, n.d.-b).
  - Energy Security (Kānoa, 2024e).

- Applications, assessment and project reporting.
- A targeted sample of:
  - full applications: declined, approved to recommendation to the RDMG, approved by RDMG
  - application assessments: declined, recommended to approve to Senior Leadership Group, to RDMG, approved by RDMG

- contractual agreements
- project reporting
- project evaluation/case study
- other information associated with the sample of projects as available on Kānoa's Marko system.

- Kānoa reports a targeted sample of:
  - weekly overviews, monthly reports, quarterly reports
  - RIF outcomes dashboard.
  - RIF case studies of the first completed project
  - information about Crown Regional Holdings Limited (CRHL) and its investments (including through the RIF).[26]

Literature scan

To inform the basis for our evaluation as well as key documents above and others identified during our work and providing context to Kānoa, CRHL and the funds and investments each manages, we undertook a targeted literature scan focusing on regional economic development and how infrastructure funds have been successful in supporting it, looking specifically at:

- aspects of fund design in supporting regional economic development
- best practice for regional economic development and, in particular, getting the most from regional economic development funds, particularly those focused on supporting infrastructure development.

This included looking across countries briefly at how targeted infrastructure and regional funds have driven economic development.

We are happy to share a summary of the literature identified with MBIE separately.

Interviews

In addition to regular check-ins with our project manager throughout the project, we held interviews with Kānoa, CRHL, and MBIE teams focused around the following areas:

- Policy, strategy, and focus areas
- Delivery and implementation systems
- Investment channels, decision-making and structuring
- Monitoring, evaluation and learning
- Governance and oversight

[26] https://www.growregions.govt.nz/assets/uploads/crhl-annual-report-2024.pdf

- Regional delivery
- CRHL.

We then developed a representative sample of the applicants with consideration to the following characteristics:

- Geographic mix
- Focus area
- Funding type sought
- Institution type
- Pipeline stage, with a bias to those further along through the pipeline to ensure interviews provided opportunities to capture insights across the process.
- Success in application, ensuring that we heard from some applicants who had been unsuccessful in applying for funding.

We selected 17 project stakeholders that we sought interviews with, with an additional eight applicants considered, and two subsequently added to the sample to ensure we had a wide coverage. A number of applicants did not respond to our interview requests or declined to be interviewed. This left us with a sample of 13 organisations. The following figures display the distribution of applicants interviewed across these criteria.

Figure 44: Interview applicants by geographic area

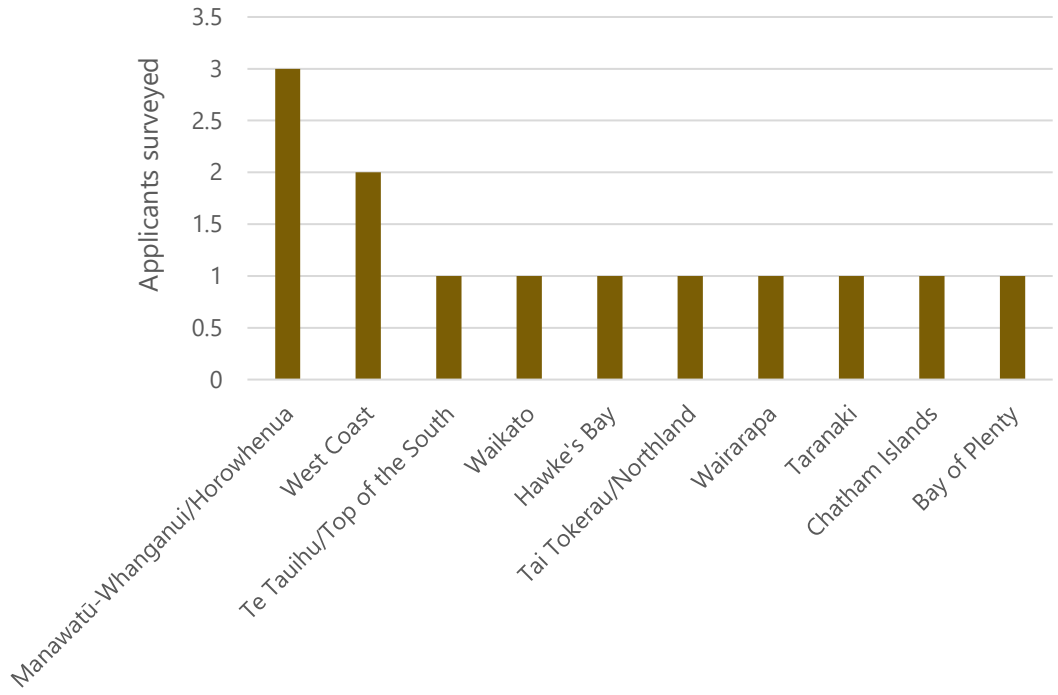


Figure 45: Interview applicants by funding type

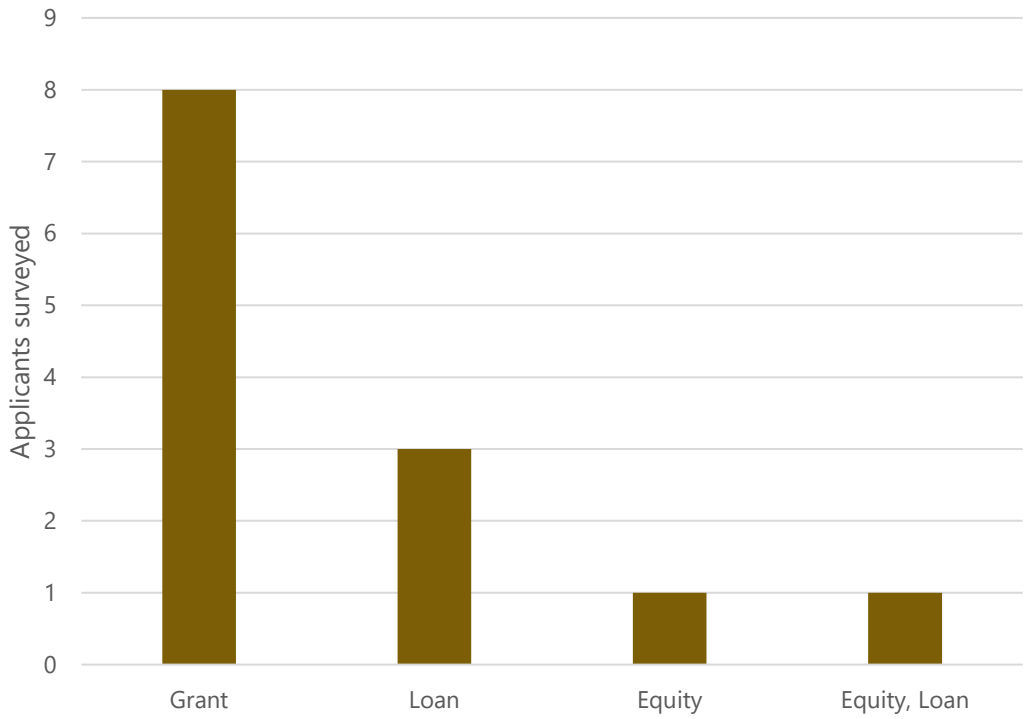


Figure 46: Interview applicants by focus area classification

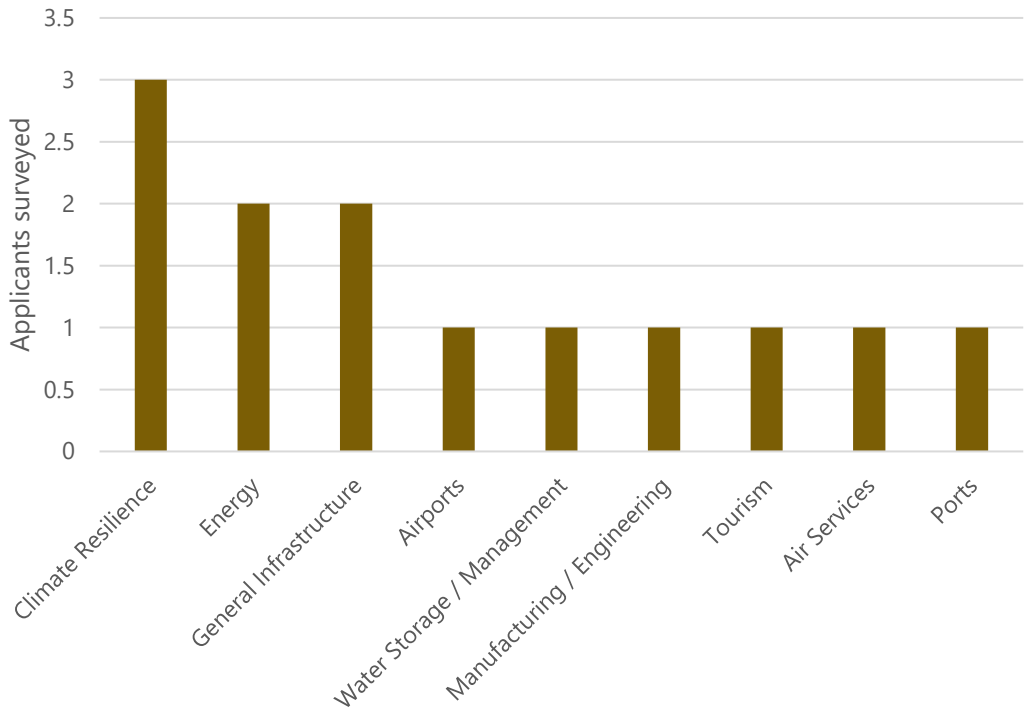
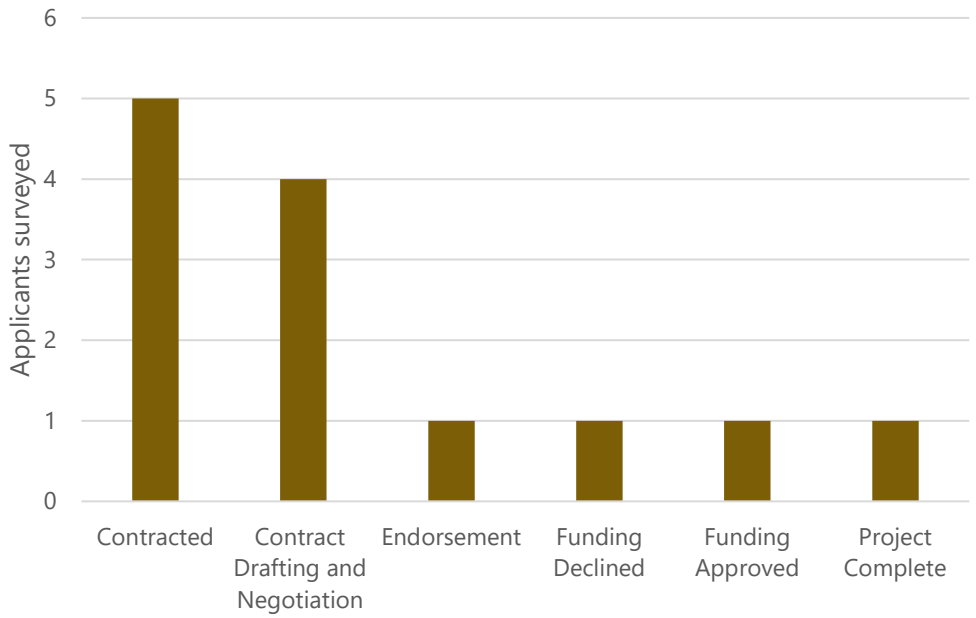


Figure 47: Interview applicants by pipeline status [27]



Source: MBIE

For all interviews, we provided a high-level indication of the kinds of questions we would be asking (as set out in Appendix C), tailoring the exact focus of each interview to areas where those interviewed had greatest interest and insight.

Survey

We developed a survey covering seven topic areas (as set out in Appendix D) that was sent to 282 project/applicant stakeholders that were provided by MBIE to cover all relevant RIF engagements. The survey was distributed by email on Monday 28 July for response by Friday 15 August, with the survey platform SurveyMonkey used for online responses. Eighty-two responses were received with a summary of responses provided separately to MBIE.

[27] Some applicants had multiple projects at different stages of completion. The furthest stage along experienced is utilised when constructing this chart.

Appendix B RIF investment strategy, intervention logic, outcomes framework, reporting and process map

Figure 48: Investment Strategy

Purpose

The Government has allocated $1.2 billion over a three-year term for the Regional Infrastructure Fund (RIF). The RIF will invest in regional infrastructure to lift productivity to grow regional economies by investing in infrastructure that increases the performance of businesses. It will also improve New Zealand's resilience by supporting regional businesses and communities to absorb and recover from shocks and adapt to changing conditions.

Link to Government Priorities

- The RIF will invest in projects and build infrastructure for growth and resilience in support of the Government's five pillars to rebuild the economy, which includes a commitment to build infrastructure for growth and resilience.
- The RIF will help to crowd-in private investment for critical projects by providing greater confidence in the project, for example through potential City and Regions Deals, and co-funding arrangements such as Public-Private Partnerships.
- Greater investment in regional infrastructure through the RIF will also create: new, high-value jobs; enhance access to markets for regional businesses; supporting growth in exports and greater national connections; support the emergence of new innovations and technologies; and help realise the potential of the Māori economy.

Outcomes

Short (0-3 years)

- Invest in regional critical needs and opportunities
- Identify and respond to potential risks and impacts on regional communities
- Create more value from existing Crown investments and assets
- Create employment opportunities in developing infrastructure assets (e.g. through local procurement where practical)
- Improve access to finance for investors, notably for Māori

Medium (3-10 years)

- Minimise fiscal impacts of adverse events for communities and authorities
- Better prepare regions for climate change risks and impacts
- Create sustainable employment and upskilled workforce
- Improve outcomes for Māori through improved economic participation, crowding in of private finance (e.g. increasing capability of financial institutions to work with iwi and invest in whenua Māori)

Long (10+ years)

- Improve outcomes for regional New Zealand through addressing of critical infrastructure deficits

Overall approach

The RIF will invest in:

Resilience infrastructure: infrastructure that improves a regions' ability to absorb, adapt and/or respond to stresses and shocks.

Enabling infrastructure: infrastructure that ensures regions are well-connected and productive. These projects will invest in assets that are used by, and/or generate benefits for, multiple businesses or many parts of a community.

The RIF will invest in both the building of new infrastructure as well as developing, upgrading, and improving existing infrastructure.

The RIF will not invest in:

- Projects already funded through the following central government programmes: social infrastructure (housing and accommodation, schools, hospitals), large-scale national digital connectivity (broadband) initiatives and roads of national significance.
- Ancillary commercial activity such as marketing or business development.
- Apprenticeships or vocational education and training.
- A project in potable water, wastewater, and storm water assets, except for investment in the following that will remain eligible:
  - Rural, community-owned water assets (that aren't on the local authority's water network).
  - Water assets that are not 'business as usual' assets and are directly critically-enabling for eligible RIF projects, for example storm water assets that are typically vital to ensure the success of a floodbank project.
- Projects that are already underway, unless the applicant can demonstrate why the project would not proceed without RIF support.
- Purchases of land.

Initial areas of focus:

Flood resilience - Cabinet has agreed to create a dedicated flood resilience funding category under the Resilience Infrastructure component of the RIF that will initially make $200 million available for eligible projects.

Māori economic development – The RIF has the potential to create a significant funding source for Māori businesses and landowners. Unlocking the potential of the Māori economy and whenua Māori through infrastructure development can also boost growth and resilience in regional economies.

Resilience infrastructure investments will improve resilience in:

Weather events
An event that is extreme at a particular place and time of year, including heatwaves, droughts, extreme wind or rainfall (including hail and frost), coastal and estuarine flooding, storms and ex-tropical cyclones.

Energy security
Energy security has two aspects:

1. Long-term energy security mainly deals with timely investments to supply energy in line with economic development and environmental needs.
2. Short-term energy security, which focuses on the ability of the energy systems, particularly electricity, to react promptly to sudden changes in the supply-demand balance. Resilience infrastructure in this area includes any infrastructure involved in the electricity system, including generation, transmission, and distribution of electricity, distributed energy resources such as roof-top solar generation, large- and small-scale battery storage, and small-scale generation (e.g. diesel or petrol generators).

Water security (water storage)
The capacity of a population to safeguard sustainable access to adequate quantities of acceptable quality water sustaining livelihoods, human well-being, and socio-economic development, and for preserving ecosystems for eligible RIF projects.

Food security
Refers to systems, facilities, and strategies ensuring consistent food production, distribution, and access despite natural challenges. This includes robust agricultural infrastructure like farmland and irrigation/drainage systems to withstand environmental stressors, efficient transport networks and storage facilities, such as warehouses with backup power sources, and diversification in farming practices and investment in resilient crop varieties.

Connectivity
Transport solutions, digital connectivity for rural communities – digital connection has become an expected part of doing business but it is not reliably available in some regions of New Zealand. Digital connectivity provides a means to overcome some of the challenges faced by small, distant communities. Digital connectivity also enables businesses to make better use of existing and new digital technologies that improve productivity.

Recovery infrastructure
Infrastructure that is available in instances of regions responding to natural disasters e.g. electricity microgrids.

Enabling infrastructure investments will invest in:

Assets that are used by, and/or generate benefits for, multiple businesses or many parts of a community.

Eligible assets will include:

- shared services such as innovation parks and innovation facilities – infrastructure and complexes that catalyse innovation and growth of specific sectors or value chains that would be unlikely to happen at the same scale without those assets existing
- supply chain or transport solutions, for example a cold storage warehouse
- cultural institutions of regional significance, including marae, museums and performing arts venues
- fixed assets within individual enabling businesses that produce outputs that are beneficial to other businesses in the region.

Source: (Kānoa, n.d.-a)

Figure 49: Intervention Logic

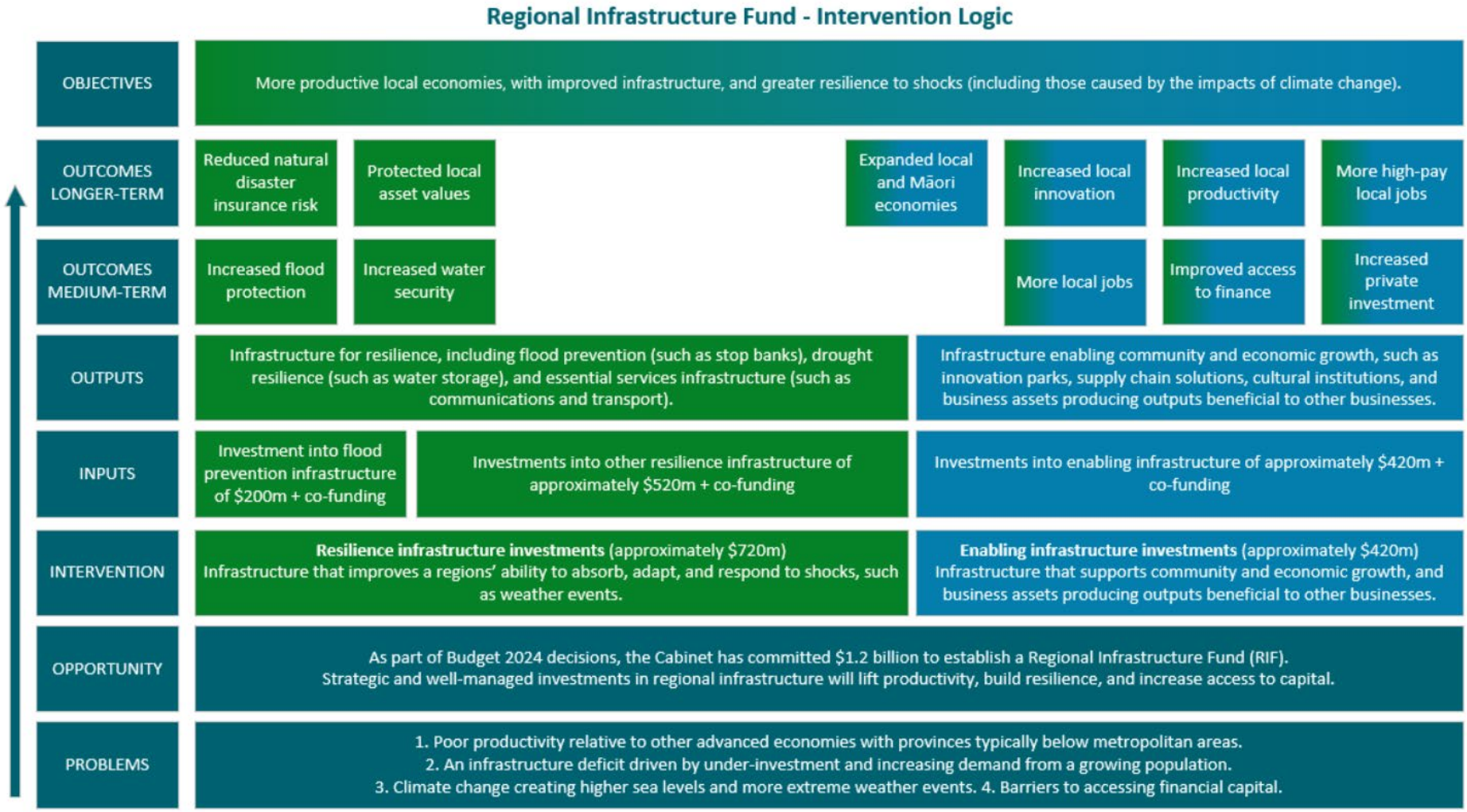


Figure 50: Outcomes Framework

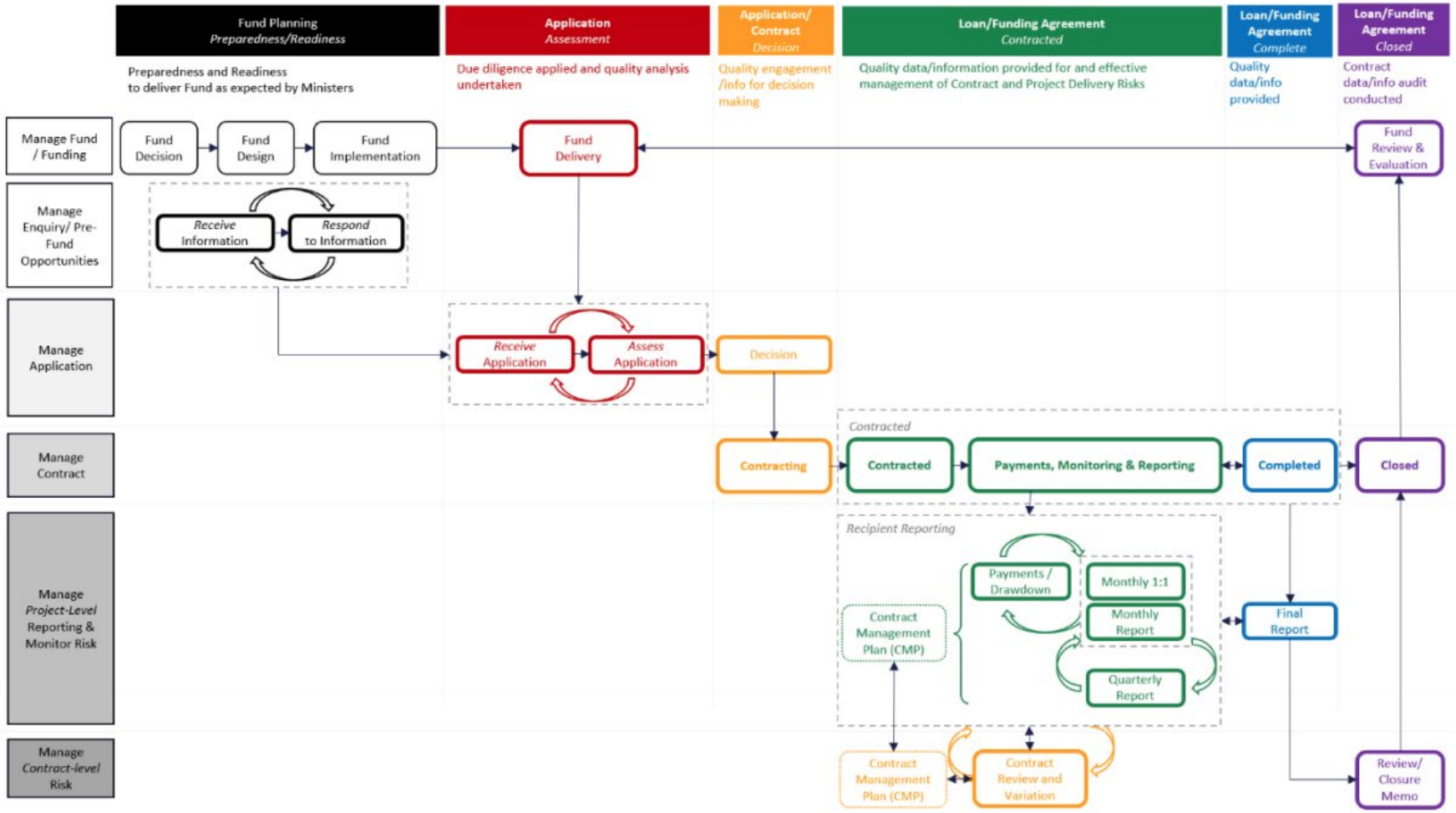
	SHORT-TO-MEDIUM-TERM OUTCOMES 1-5 YEARS [8]				
	Outcome 1	**Outcome 2**	**Outcome 3**	**Outcome 4**	**Outcome 5**
	Increased flood protection	Increased water security	More jobs for locals (especially job seekers)	Improved access to finance for local firms and Māori	Increased private investment in local economies
BENEFITS	**Benefit** The area and assets protected from floods includes commercial and residential assets, and developed land. As well the direct, tangible costs to buildings and infrastructure prevented by flood protection, there are many indirect and intangible costs that are prevented, including clean-up and health effects.	**Benefit** Increased water security means more days that a region can sustain water supply for drinking and irrigation and other uses in the event of a drought or other event. Increases in natural or human-made water storage or the protection of water storage can contribute to this.	**Benefit** More jobs for locals (especially job seekers) expands opportunities for locals to stay in the region, and provides more opportunities for people coming to the region, so expanding the regional economy. Employing more people off Job Seeker Support grows employment, increases material wellbeing and reduces public expenditure on benefits.	**Benefit** Local firms and Māori businesses and organisations that are more able to access finance allows them to invest more in physical capital and innovation to develop and grow production.	**Benefits** Greater private investment in the regions by firms grows regional economies by generating additional economic activity through new capital, more employment and higher production. Private investment may crowd-in around or due to RIF investments in infrastructure that facilitates or enables private-sector activity.
INDICATORS	1.1 Built area value at risk of flooding. 1.2 Production land value at risk of flooding. 1.3 Undeveloped land value at risk of flooding. 1.4 Value of contracted RIF projects that fit this outcome. 1.5 Number of contracted RIF projects that fit this outcome.	2.1 Irrigated land area increases. 2.2 Water storage increases. 2.3 Value of contracted RIF projects that fit this outcome. 2.4 Number of contracted RIF projects that fit this outcome.	3.1 Increase in filled jobs in regions RIF has invested in. 3.2 Reduction in MSD Job Seeker numbers or proportions. 3.3 Number of FTEs employed by the projects the RIF invests in. 3.4 Regional multiplier estimates of FTEs sustained by RIF investments. 3.5 Number of local persons employed on RIF funded projects. 3.6 Number of persons employed off Job Seeker Support by RIF funding projects. 3.7 Number of Māori employed by RIF funded projects. 3.8 Value of contracted RIF projects that fit this outcome. 3.9 Number of contracted RIF projects that fit this outcome.	4.1 Firms and Māori businesses and organisations invested in are more able to access additional finance from private providers. 4.2 Value of co-funding for RIF funded projects. 4.3 Value of contracted RIF projects that fit this outcome. 4.4 Number of contracted RIF projects that fit this outcome.	5.1 More private investment in areas serviced by the infrastructure RIF creates. 5.2 Value of contracted RIF projects that fit this outcome. 5.3 Number of contracted RIF projects that fit this outcome.

	MEDIUM-TO-LONG-TERM OUTCOMES 5+ YEARS[9]					
	Outcome 6	**Outcome 7**	**Outcome 8**	**Outcome 9**	**Outcome 10**	**Outcome 11**
	Reduced impacts of natural disasters	More vital assets and services protected	Strengthened local and Māori economies and communities	Increased local innovation	Increased local productivity	More highly-skilled local workers
BENEFITS	**Benefit** Reducing the impacts of disasters or increasing resilience to disasters, allows regions to cope better when disasters occur. Investments may be (using PARA framework) in Protection from likely disasters (such as stopbanks), Accommodation to cope with a likely disaster (such as lifting buildings), Retreat away from likely disaster areas (moving infrastructure out of the area), and building in areas that Avoid disaster-prone areas.	**Benefit** More or more protected vital services - such as the supply of water, energy (electricity, gas, fuel), telecommunications, food, transport, medicine, emergency assistance (medical, fire, and police) and waste removal, and the assets used in providing them (public utilities, communications infrastructure, supermarkets, hospitals, ambulances, fire stations and vehicles, police stations and vehicles, civil defence buildings, and drains) – all benefit communities in times of crisis.	**Benefit** Stronger local and Māori economies and communities are supported by better infrastructure that provides greater resilience to the impacts of climate change and other shocks and enables further investment in the region.	**Benefit** More innovation by local businesses leads to greater productivity and higher incomes. This can be facilitated by infrastructure that encourages innovation (such as innovation hubs) and by infrastructure that crowds-in additional investment by firms that use the infrastructure. Food production is a key sector for provincial regions, and so a key sector for investment that grows innovation and resilience.	**Benefit** Higher productivity means more is produced with less labour, enabling higher incomes and higher profits. This benefit should result from firms investing in physical capital and innovating, and by firms using new infrastructure to do new things.	**Benefit** The RIF investments in infrastructure should lead to upskilling through on-the-job training and experience. Infrastructure which increasing firm innovation and thus productivity should lead to more skilled workers in higher paid jobs, benefitting the material wellbeing of employees in the regions invested in.
INDICATORS	6.1 In the event of an actual natural disaster the RIF infrastructure resilience investments perform as expected. 6.2 Regional insurance premium increases slow or decrease after RIF infrastructure resilience projects complete construction. 6.3 Insurance retreat in areas where the RIF invests in resilience infrastructure is slowed or reversed after these projects complete construction. 6.4 Investment in enhancing resilient regional transport networks (land, sea or air). 6.5 Value of contracted RIF projects that fit this outcome. 6.6 Number of contracted RIF projects that fit this outcome.	7.1 Number (and value) of vital assets and services protected increases. 7.2 Resilience of vital assets and services increases. 7.3 Investments in digital security 7.4 Investments in food security 7.5 Investments in energy security 7.6 Value of contracted RIF projects that fit this outcome. 7.7 Number of contracted RIF projects that fit this outcome.	8.1 Regional economies grow for the regions invested in during and post the period of investment. 8.2 The Māori economy grows during and post project completion. 8.3 Growth in new and emerging industries (aquaculture, renewable energy, etc). 8.4 Arts and recreation services sectors of regional economies grow in the regions invested in post completion of investments that fit this outcome. 8.5 Construction sectors of regional economies grow in the regions invested in during the period of investment. 8.6 More Māori employed in regions RIF invests in. 8.7 Regional multipliers estimates of regional GDP created by RIF investments. 8.8 Value of investment in cultural institutions, such as marae, museums, and performing arts centres. 8.9 Value of investment in food production, 8.10 Value of investment in whenua Māori land entities. 8.11 Value of contracted RIF projects that fit this outcome. 8.12 Number of contracted RIF projects that fit this outcome.	9.1 Increase in local innovation (new firms, products and production) that leverages or benefits from RIF funded local infrastructure. 9.2 New or improved products or production methods from RIF investments that fit this outcome. 9.3 RIF investments in more innovative food production. 9.4 Value of contracted RIF projects that fit this outcome. 9.5 Number of contracted RIF projects that fit this outcome.	10.1 Higher levels of GDP per employee (or per capita) in regions where the RIF has invested. 10.2 Higher levels of Māori economy GDP per employee. 10.3 Increase in small business average productivity in regions where the RIF has invested. 10.4 Value of contracted RIF projects that fit this outcome. 10.5 Number of contracted RIF projects that fit this outcome.	11.1 A greater proportion of employment in the regions invested in are in higher skilled jobs. 11.2 Types of jobs created by RIF investments. 11.3 Value of contracted RIF projects that fit this outcome. 11.4 Number of contracted RIF projects that fit this outcome.

Figure 51: Kānoa reporting

Kānoa-MBIE reports				Data collection tools								
Title	Audience	Coverage	Frequency	Application Assessment Decision Contract	Recipient monthly reporting	Recipient quarterly submission	Project completion reports	Kānoa lessons-learned survey	Formative evaluation	Impact evaluation	External sources	Ex-post project completion evaluations
PipeDrive CRM system	Kānoa staff	The customer relationship management (CRM) system Kānoa – RD uses contains fields for contract management.	Continuous	✓	✓	✓	✓					
RIF overview dashboard (RD Minister's Weekly Report)	Kānoa SLT, Minister, RDMG	RIF funding sought, approved, contracted and paid. Number of applications and stage in process. Value of funding sought and co-funding by region and by sector.	Weekly	✓	✓		✓					
Other monitoring dashboards	Kānoa staff and SLT	Numerous dashboards for monitoring and reporting on all funds or specific funds, including different interval periods and for different purposes: CRHL, risk, over $1m projects, jobs, commentary, capacity management, maps, et al.	Various / ad hoc	✓	✓							
CRHL Quarterly Report	CRHL, Shareholding Ministers	Facts, figures and highlighted projects funded by loans and equity	Quarterly	✓	✓		✓					
Kānoa Quarterly Report	RDMG, public	Funding approved, contracted, paid by project, sector, RIF stream, and region	Quarterly	✓	✓		✓					
MBIE Quarterly Report	MBIE Ministers	Funding approved, contracted, paid by project, sector, RIF stream, and region	Quarterly	✓	✓		✓					
RIF outcomes dashboard	Kānoa SLT, RD Minister, RDMG	Indicators of RIF allocation by RIF outcomes. Other indicators and measures of RIF performance against outcomes.	Quarterly	✓	✓						✓	
Report to Treasury	Treasury	RIF forecast funding, deliverables and results.	Six-monthly	✓	✓							
MBIE Statement of Intent & Annual Report	MBIE Ministers, public	RIF performance measures. These are usually 2-4 process and outcome measures that can be updated on a six-monthly basis.	Six-monthly to Annual	✓	✓							
Appropriation measures	Ministers, public	2-3 RIF input/output/requirement measures.	Six-monthly to Annual	✓	✓							
CRHL Annual Report	CRHL, Shareholding Ministers, public	Facts, figures and highlighted projects funded by loans and equity	Annual	✓	✓		✓					
Kānoa lessons learned reports	Kānoa	Internal Kānoa staff feedback on lessons learned and recommendations for improvement	Annual					✓				
Formative evaluation report	Kānoa, RD Minister, RDMG	Independent evaluation of Kānoa RIF processes with recommendations.	Once in first year.						✓			
Case study reports	Public	Two-pagers, based on project completion reports, telling the story of each completed project – purpose, background, experience and benefits (past, present and future).	Continuous as projects complete				✓					
Impact evaluation report/s	Kānoa, RD Minister, RDMG, public	Independent evaluation of RIF impacts against outcomes. May include economic analysis of benefits.	Final year (year three).							✓	✓	
Ex-post completion evaluation reports	NZ Government, public	Assessment of what benefits completed infrastructure actually had over the medium-to-long-term.	5+ years post-completion								✓	✓

Figure 52: Process map



Source:(Ministry of Business, Innovation and Employment, 2024b)

Appendix C Interview question guides used

Here we provide the indicative questions guide provided to MBIE teams and RIF applicants ahead of interviews with each.

MBIE teams

Introduction

Below are key questions we wish to understand further. These represent areas we would like to explore across interviews but will tailor our questions in each interview to allow for stakeholders to expand on areas they may have greatest insight.

Context

- Can you please tell us a bit about yourself, your role and how that fits withing Kānoa and the Regional Investment Fund (RIF)?

Focus, scope and design (including requirements and constraints)

- Why was the fund established? What assumptions have been made in determining the fund's settings (scope and support models) and how have/will these be tested?
- What is the level of fit between applications received (and separately those funded) and the focus, scope and design of the fund?

Establishment, implementation and refinement

- How was the fund set up by MBIE, resourced, governed and communicated?
- How has the fund been refined, why, and how has this been managed?

Processes and systems

- What is the end-to-end process for applicants to the fund through to investment and reporting (and how might this vary/under what circumstances)?
- What are MBIE's processes and systems relating to the RIF and why do they operate as they do (this covers the approaches and platforms used to identify potential projects through to advice on whether to fund, agreeing terms, and monitoring and reporting)?
- What about these works well or could be improved (and what adjustments may already have been made)?

Investment logics/cases and assessments

- What is the range of investment cases that have been made and how do these align with the monitoring framework?
- What is the assessment approach that is applied when assessing investment cases? How is the support model determined and how are the terms of funding agreements determined?

Governance, coordination and decision-making (and support of it)

- What are the operating, decision-making, reporting and governance arrangements around the RIF?
- How are different aspects coordinated and supported?
- How have the different roles needed been determined, how are they organised and how do they fit with the fund, Kānoa, and MBIE's purpose and objectives?
- What is working well and are there areas that could be improved?

Reporting, monitoring, evaluation and learning

- What is reported by applicants/those receiving funding and MBIE across the fund? How is the wider reporting built up and project reporting determined?
- How was the monitoring and evaluation framework developed and agreed? How is this used and what monitoring and evaluation is undertaken by applicants and MBIE?
- How is learning enabled, supported and achieved across the fund's operation?

Resources

- What are the key resources dedicated to different roles relating to the RIF (systems, personnel, budgets for engagement, applications/assessments, reporting, etc.)? How does this best support the fund and Kānoa objectives?
- How is the right quantity and quality determined and ensured, and how is access and timeliness factored into this?

Review/impact

- What internal review of functions have been undertaken, and what were the findings?
- How is effectiveness and efficiency across roles ensured and are there any areas that could be improved?
- Is the RIF on track to achieve its goals? Why/why not? Have there been any unintended benefits/consequences?

RIF applicants

Introduction

Below are key questions we wish to understand further. These represent areas we would like to explore across interviews but will tailor our questions in each interview to allow for stakeholders to expand on areas they may have greatest insight.

Context

- Can you please tell us a bit about yourself, your role and how you have interfaced with MBIE/Kānoa and the Regional Investment Fund (RIF)?

Focus, scope and design (including requirements and constraints

- How clear is the purpose, scope, and funding approaches of RIF and the assumptions and logic underpinning it?
- What is the level of fit between your applications (and any funded) and the focus, scope and design of the fund? How did you show this as part of the process?

Processes and systems

- What is the end-to-end process from your perspective for applicants through to investment and reporting (how clear and easy to navigate was this process)?
- How have you found MBIE's systems relating to the RIF and the ease and/or support to interface with these?
- What about these processes, systems and support works well or could be improved?

Investment logics/cases and assessments

- How did your application align with the monitoring framework and was the assessment against this clear? Did the material sought from you help with this?
- How was any support model and the terms of funding agreements determined?

Governance, coordination and decision-making (and support of it)

- How clear were the operating, decision-making, reporting and governance arrangements around the RIF? How were any interfaces managed with you as an applicant?
- From your perspective, what is working well and are there areas that could be improved?

Reporting, monitoring, evaluation and learning

- What is reported by applicants/those receiving funding? How was this determined and how did it impact you?
- Could you see whether learning was enabled, supported and achieved across the fund's operation?

Resources

- What were the resourcing requirements on you to interface with the RIF and what support did you get (if any)?

Review/impact

- How do you consider the effectiveness and efficiency of the RIF and Kānoa's support of it and are there any areas that could be improved?
- Do you feel the RIF on track to achieve its goals? Why/why not? Have there been any unintended benefits/consequences?
- How do you feel that your project'(s) inclusion in the RIF helps it achieve their goals?
- What is the economic impact you anticipate your project'(s) will have?

Appendix D Survey questions

The following sets out the contents used for the survey.

Introduction

We have been engaged by the Ministry of Business, Innovation and Employment (MBIE) for a formative evaluation of the Regional Infrastructure Fund (RIF) and its early implementation by Kānoa to support Kānoa in ensuring that the RIF is well-managed and to help it to best achieve the RIF's objectives. Kānoa has provided us with your contact details as someone who has been involved in an application for funding under the RIF (purely for the purpose of contacting in relation to our evaluation).

We would like to ask for your input in completing this short survey please. The survey targets the areas of focus under our review looking more broadly at how the RIF is set-up and operating and the impacts of investment decisions. Survey responses will be kept confidential and results reported in an anonymous manner.

Please respond to this survey based on your experience with the Regional Infrastructure Fund (RIF/Fund).

The survey should take around 10-15 minutes to complete and will be open until 15 August 2025.

Section 1: About you

1. What best describes your organisation?
☐ Local government
☐ Iwi/Māori organisation
☐ Community organisation
☐ Private business
☐ Other (please specify): _____

2. What has been your involvement with the Regional Infrastructure Fund (RIF/Fund)?
☐ Applied and received funding
☐ Applied but not funded
☐ Currently applying
☐ Considered applying but didn't
☐ Other (please specify): _____

3. On what date did you first engage with the Regional Infrastructure Fund (RIF)? (**approximate answers are fine here as we are mostly interested in the month**)? [insert date look-up]

4. How many applicants/projects have you been involved with in relation to the Regional Infrastructure Fund (RIF)? [insert number box]

5. What type(s) of project(s) have you engaged with the Regional Infrastructure Fund (RIF)? (please tick all that apply)

☐ (Flood) Resilience
☐ Māori economic development
☐ Water storage/security
☐ Energy
☐ Enabling infrastructure/connectivity (e.g. transport or telecommunications)
☐ Other (please specify): _____

6. Have you previously had experience with other government funding processes (e.g. the Provincial Growth Fund, Endeavour Fund, or funding able to be applied for from a government agency? If so, which fund(s)? [open box]

Section 2: Purpose, scope and funding model

7. To what extent do you agree with the following statements about the Regional Infrastructure Fund (Fund)?

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Don't know
The **purpose and scope** of the Fund were clear when we engaged with it	☐	☐	☐	☐	☐	☐
The **possible funding models** and eligibility for each were clear	☐	☐	☐	☐	☐	☐
The application process allowed us to clearly demonstrate our project's **alignment with Fund goals**.	☐	☐	☐	☐	☐	☐

8. What aspects of the purpose, scope, and funding models of the Fund and how they were communicated **worked well** for you? (open)

9. What aspects of the purpose, scope, and funding models of the Fund and how they were communicated **could be improved**? (open)

Section 3: Process

10. To what extent do you agree with the following statements?

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Don't know
The **end-to-end process**—from application through to decision and implementation—was **clear**	☐	☐	☐	☐	☐	☐
The **end-to-end process**—from application through to decision and implementation—was **easy to navigate**	☐	☐	☐	☐	☐	☐
The **application process** helped us understand how to make our case.	☐	☐	☐	☐	☐	☐
The **application form** helped us understand how to make our case.	☐	☐	☐	☐	☐	☐
The **support from Kānoa/MBIE** helped us understand how to make our case.	☐	☐	☐	☐	☐	☐

11. What aspects of the RIF processes and their navigation **worked well** for you? (open)

12. What aspects of the RIF processes and their navigation **could be improved**? (open)

Section 4: Systems and tools

13. To what extent do you agree with the following statements?

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Don't know
The **portals** were easy to use.	☐	☐	☐	☐	☐	☐
The **templates** were easy to use.	☐	☐	☐	☐	☐	☐
The **guidance materials** were easy to use.	☐	☐	☐	☐	☐	☐

14. What aspects of the systems and tools associated with the RIF **worked well** for you? (open)

15. What aspects of the systems and tools associated with the RIF **could be improved**? (open)

Section 5: Assessment, agreements and decision making

16. To what extent do you agree with the following statements?

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Don't know
The **assessment criteria** were clear.	☐	☐	☐	☐	☐	☐
How criteria would be assessed was clear.	☐	☐	☐	☐	☐	☐
The **decision-making arrangements** were clear (by whom, when, based on what).	☐	☐	☐	☐	☐	☐
The **feedback provided** as part of the assessment process was clear.	☐	☐	☐	☐	☐	☐
The **possible terms of funding** were clear from the outset	☐	☐	☐	☐	☐	☐
The **terms of the funding agreement** were appropriate	☐	☐	☐	☐	☐	☐

17. To what extent do you agree with the following statements about timeliness?

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Don't know
The timeframes for the **application process** were appropriate.	☐	☐	☐	☐	☐	☐
The timeframes for the **decision-making process** were appropriate.	☐	☐	☐	☐	☐	☐
The timeframes for **contracting** were appropriate.	☐	☐	☐	☐	☐	☐

18. What aspects of the assessment, agreements and decision-making **worked well** for you? (open)

19. What aspects of the assessment, agreements and decision-making **could be improved**? (open)

Section 6: Reporting, learning and impact

20. To what extent do you agree with the following statements?

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Don't know
The **reporting** requirements were **clear**.	☐	☐	☐	☐	☐	☐
The **reporting** requirements were **manageable**.	☐	☐	☐	☐	☐	☐
Learnings are being captured in how the fund is **managed**.	☐	☐	☐	☐	☐	☐
Improvements are **evident** to applicants in how applications or projects are managed.	☐	☐	☐	☐	☐	☐
The **use of the fund is being maximised** through **improved management**.	☐	☐	☐	☐	☐	☐

21. To what extent do you agree the RIF is on track to achieve the following goals?

Goal	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Don't know
Supporting **regional employment**	☐	☐	☐	☐	☐	☐
Driving **regional economic development**	☐	☐	☐	☐	☐	☐
Advancing **Māori economic development**	☐	☐	☐	☐	☐	☐

Goal	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Don't know
Strengthening **regional resilience**	☐	☐	☐	☐	☐	☐

22. What, if any, **unintended benefits or challenges** emerged from your involvement in the RIF? (Open)

23. In your view, is the RIF **on track to achieve its intended goals**? Why or why not? (open)

Section 7: Final reflections

24. To what extent do you agree with the following statements?

Statement	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Don't know
Overall, our **experience of the RIF** has been **positive**.	☐	☐	☐	☐	☐	☐
Overall, the **RIF**—including Kānoa's role in supporting it—has been **effective**.	☐	☐	☐	☐	☐	☐

25. Do you have any **final comments or suggestions**? (open)

Appendix E Summaries of the application form, evaluation and reporting templates

Below we provide an overview of the questions for applicants to answer in relation to the application form and from regular reporting via Business Connect.

Summary of questions in the RIF application form

- **Applicant** name (text box: T), registered (Y/N), address (T), website (T)
- **Applicant contact person:** first name, last name, phone number, email address
- **Eligibility criteria detail:** invited to apply (Y/N); how project: delivers "hard infrastructure (T), contributed to improving resilience and/or productivity (T); how project fits either/both of the resilience or enabling infrastructure components of RIF (drop down: DD and text box to explain); how project connects to regional priorities and can demonstrate regional/local support (T); how project will delivered, including implementation plan, project governance, and risk management (T); how the project requires government financial support/how not progress otherwise (T).
- **Project key information:** contracting entity name (T), contracting entity type (drop down selection), project title (T), project description (T), project address (T), project location (DD region the radial box: RB for sub-district), owner(s) of project land (T), sector most aligned to (drop down), what the co-funding (not from RIF) will be used for and if project is part of a wider programme detail of this (T).
- **Key dates:** consenting date (D, M, Y) and what contingent on (optional T); detailed design, costing and procurement date (D, M, Y) and what contingent on (optional T); capital raise/co-funding completion date (D, M, Y) and what contingent on (optional T); date construction state (D, M, Y) and complete (D, M, Y); number of months between commencement and completion of construction (calculated); further information related to construction commencement dates (T).
- **Funding sought:** funding type (DD); funding sought (T); status/commentary (T), applying for other funding instruments under RIF (Y/N).
- **Other sources of funding:** source (T); funding type (DD); amount (T); status/commentary (T) – with action box to add further funding sources for which the same information is required.
- **Total project cost/funding required:** total project cost (T: calculated).
- **Detailed project information and outcomes**
- **Benefits** (T); how project provides the benefit (T), value of benefit (RB: low, medium, high); annual dollar value of benefit if known (number box: N); year benefit begins (N); how many year project provides benefit (N) – with action box to add further benefits for which the same information is required.

- **FTE by occupation:** managers during and post construction (2xN); professionals during and post construction (2xN); technicians and trades workers during and post construction (2xN); machinery operators and drivers during and post construction (2xN); labourers during and post construction (2xN); retail, clerical and administrative workers during and post construction (2xN); other FTE during and post construction (2xN).
- **Then calculated:** total FTE during construction, post construction and total (3xNs).
- **RIF outcomes:** for each of the following attributes, does project align with outcome (RB: yes, partially, no); how they contribute to outcome (T), years *from* and *to* that they contribute to outcomes for (2xN):
    - increased flood protection
    - reduced impacts of natural disaster
    - vital assets and services protected
    - increased water security
    - increased private investment in local economies
    - improved access to finance for local firms and Māori
    - strengthen local and Māori economies and communities
    - more local jobs
    - more high-paying local jobs
    - increased local innovation
    - increased local productivity.
- **Project analysis**:
    - Commercial information—if a Business Case or CBA has been produced for this application, please provide it. Additionally, cover the:
        - need for infrastructure,
        - current and projected demand,
        - competitive environment and other key players,
        - logistics requirements for movement of key materials and products (T).
    - Financial information—to cover: financial position of the proposed funding recipient (historical financial statements and forecasts), why funding cannot be sourced from other sources (e.g. banks, investors), details of any borrowings of the contracting entity, council applicants to provide details of most recent credit rating, debt ceiling limits and interest rates offered by the LGFA) (T).
    - Management analysis: ownership structure (T); management structure - with boxes to add entries for names, roles and relevant experience (3xT); who will manage the project - with boxes to add entries for names, roles and relevant experience (3xT); how will the project be delivered (T, with Help link); what are the workforce requirements and how plan to create opportunities for job seekers such as apprenticeships, cadetships, on the job training and development (T); how will the project impact on delivery of business as

usual (T); plans for future ownership of the infrastructure and the operational requirements (T).

- Risks and mitigation information (requesting to provide any risk management plan): Risk (T); severity (RB: low, medium, high); mitigation (T) – with boxes to add the same information for each risk.
- Applicant and submission readiness.

- **Required documentation** (2 stage – tick required and the upload)**:** Consents, project budget, financial statements produced by a qualified accountant for the last three years (incl. cashflow, balance sheet & profit & loss), Trust deed (optional) other documents
- **Optional documentation** (2 stage – tick required and the upload): feasibility study, cost benefit analysis, information memorandum (if used for capital raising), risk management plan, economic impact assessment, cultural impact assessment, environmental impact assessment, letters of support, governance structure, other (to be detailed).
- **Declarations** (YN): entity will comply with laws, regulation, rules and codes of conduct; applicant ever declined Crown funding previously; applicant/contracting entity/individuals involved in project ever been insolvent, bankrupt or subject to legal proceedings (or involved with organisations that have) or under investigation/convicted of a criminal offense (4 questions); outstanding tax obligations, conflicts of interest.
- **Confirmations:** read terms; application is factual and authorised; project members have been informed and provide permission to release information; consent to public release of information in application if successful; no conflicts and will advise if they arise; understand falsification of information may result in application being eliminated from the assessment and may be grounds for contract termination; consent to Kānoa undertaking due diligence. With named declaration.

Summary of the evaluation template used by Kānoa to assess applications

Kānoa's evaluation template includes the following aspects:

1. **Project summary and recommended key terms:** applicant, sector, recipient, recipient entity type, region, nearest town, total project value, RIF funding requested (loan/equity/grant), co-funding ($ and per cent), RIF funding recommended; project summary covering what the applicant does, how much funding is requested and for what; recommended investment terms for loan/equity covering loan amount, maximum term, interest, repayment arrangements – when and for what, security that reflects the investment, the entity, shareholding, share type, and if Director to be appointed by CRHL as well as any project-specific conditions.
2. **Project evaluation detailed analysis:**

- ***Commercial case:*** First, determine whether the project is commercial, quasi-commercial, or non-commercial. Then assess it against the following criteria:
    1. **Project type**

- Council (1)
- Non-commercial (2)
- Quasi-commercial (3)
- Commercial (4)

2. **System gap**
   - Does the project address a system gap?
   - Relevant for types (1, 3, and 4).
3. **Beneficiaries**
   - Who will benefit from the project?
   - Relevant for types (1–3).
4. **Support and demand**
   - What evidence exists of support for the project or market demand?
   - Relevant for types (1–3).
5. **Alternatives**
   - Is there a more cost-effective or viable solution?
   - Relevant for types (1–4).
6. **Council projects only** (type 1)
   - Is the project included in the Long-Term Plan (LTP)?
   - If not, why not, and how does it fit with other council priorities?
7. **Quasi-commercial projects only** (type 3)
   - Are there other operators in the region or in New Zealand who might be negatively impacted?
8. **Commercial projects only** (type 4)
   - What is the competitive environment?
   - Has the applicant or recipient provided evidence that the supply chain is secure?

Sector-specific questions:

i. Water storage: what is the land use, is there a current water supply (what's the barrier/opportunity), what are the (potential end users), what are we relying on for commercialisation or benefit realisation, what is the consenting pathway

ii. Energy: what is the land use, what regulatory impacts are there, are there regulatory approval paths or obligations for community/stakeholder consultation.

iii. Flood resilience: is the project part of Before the Deluge 2.0, is the project directly additional to previous government investment in this project, what is the value of assets protected, what specific assets are protected.

Financial analysis and proposed instrument: separated for:

i. non-council covering:

- strength of financial position – how long operated and key revenue, EBITDA, assets, liabilities, equity net interest-bearing debt (NBID)/EBITDA and NIBD/equity for the last 3 years, with commentary on the balance sheet such as capital raises, leverage, commentary on the income statement such as revenue and cost growth, stage of business, how any losses may have been funded, investment and links to revenue, diversification of revenue, ratios;
- forecast position post-investment – what the investment enables and how that relates to revenue (to repay loans), similar summary of financial statements noting key assumptions around co-funding, costs, price, sales volumes, etc, balance sheet, income statement and ratio summaries. If independently reviewed, how forecasts relate to exit of Crown funding, if relevant – project finance modelling, NPV, IRR, debt servicing.
- impact on the recipients' financial position if projections are not met – who produced forecasts, reasons they might not be met linking to assumptions, amended revenue, EBITDA and NIBD/EBITDA (e.g. revenue 25 per cent lower or COGS 25 per cent higher), the conditions of funding to be included and any security position as part of exit.
- co-funding for the project – how much from whom, terms of co-funding, if project meets co-funding criteria (50 per cent or 20 per cent), is co-funding already secured, is it in the form of cash or what else.
- why commercial/other funding is not available – should shareholders of the entity be funding the project, efforts taken to determine this, will Crown investment de-risk the project so that it takes place rather than being a missed opportunity, reasons why may not be able to get other funding - e.g. debt servicing ratios in early years, early stage, bank not previously funded,
- Financial Instrument Assessment Framework Guide: category it falls in – high/medium/low strategic alignment, commercial potential, and implementation complexity and resulting guide in terms of investment instrument associated with this and comment on OBEGAL[28] impacts
- Is the funding type requested appropriate: Is it and why, should it be a loan and why – if so, should it be concessionary and why, should it be equity and why, are there export/WTO issues, can the project not support debt or equity funding?
- Proposed instrument: grant, loan (borrower, amount, maximum term, interest, repayment, and security settings) or equity (entity, shareholding, share type, director settings).

ii. council/CCO/CCTO covering: same high-level coverage as above but for:

- strength of financial position – (noting if Council, CCO or CCTO and if one of the latter having only a summary of the council): council rating and meaning, if shareholder in LGFA, financial summary of council for last 3 years – revenue,

[28] Referring to the Crown's Operating balance excluding Gains And Losses, see (The Treasury, 2014)

operating surplus/deficit, assets, gross debt, liabilities, equity net debt.net revenue, net debt/rates revenue, income statement summary, balance sheet summary (and degree income-generating), CCTO/CCO financial summary as for non-council above

- forecast position post investment – LTPs and forecasts – with tables as for prior point and adding headroom to key covenants, Kānoa ratios, and other aspects as for non-Council above
- impact on the recipients financial position if projections are not net – a for non-Council above but like prior bullet also covering the headroom to covenants
- co-funding for the project – tailored to Council's contributions to the infrastructure type under consideration (over last 3 years)
- why commercial/other funding is not available – tailored to council setting

- ***Management and ownership analysis (ability to deliver)***: recipient ownership (structure), management structure and relevant expertise, project team members and relevant experience, milestones and their timing, budget items and contingency, high-level procurement plan; workforce requirements – number of new and ongoing roles, those for construction, if local job-seekers, recruitment plan (And if seen an HR plan), training opportunities (RIF not going towards), if information for indirect employment impacts; does the recipient have the capability to deliver, future ownership plans, where infrastructure will be build and who owns the land, is the project investment ready – designed and costed, consents secured, procurement complete, parties engaged in which steps; due diligence completed, reviewed and signed off and no unresolved issues which can't be managed through conditions of approval.
- ***Risk identification and Management Evaluation***: whether there's a risk management plan, key risks and mitigants identified, table to add project, operational and investor risks detailing the severity, likelihood and the mitigations for each. Standard conditions precedent included in the Kānoa – RIF loan agreement are then set out to run through if they apply and capture (e.g. updated financial forecasts, confirmation of necessary authorisations, project budget, evidence of co-funding, document of key milestones, certificates of insurances, etc).
- ***Consultation*** with relevant government agencies for technical advice and any other industry expert feedback (to be summarised)

3. **Summary of analysis for Ministers:**

- ***Commercial Case summary*** (up to 1 page): prompts to consider: commercial/quasi/non-commercial project and why; if addressing a system gap and/or regional need, what the investment support and reasons for evidence of demand, conditions for RIF investment
- ***Financial Case summary*** (up to 2 pages): prompts to consider: strength of recipient financial position and forecast financial position, impacts if forecasts are not achieved, (if council owned entity – analysis of council and forecasts for contributions), co-funding or reasons for no other sources of funding, reason Crown investment is required, assessed against RIF FIAF agreed by RIF Ministers assessing strategic alignment, commercial potential and implementation complexity (Table 5 in section 2.6 illustrates two dimensions of this

framework for the case of high implementation complexity), whether framework identified a grant/concessionary loan as appropriate and why showing whether high/medium/low strategic alignment, commercial potential, and implementation complexity; Kānoa recommendation, key terms of investment, conditions of investment.[29]

- ***Management Case summary*** (up to 2 pages): prompts to consider: recipient type and expertise/support, timing for commencement and operations, budget items and proportion in contingency, procurement process planned to engage appropriately skilled and experienced construction contractor, land ownership/access agreements, whether necessary consents have been obtained and if project is investment ready, conditions of RIF investment.

4. **Eligibility requirements:** drop down answers for whether/how each of the eligibility criteria are met (12) and whether any of the exclusions apply (7) – refer to Table 4.

5. **Investment management sign out:** a checklist that the following have occurred to the GM Investment's satisfaction and they concur with the recommendation: discussed between the Regions, Investment and Policy branches, consultation with relevant partner agencies allowing their provision of technical advice (covered in the doc with emails filed), 3 and 4 above have been completed, full review by an Investment Director/Commercial Lead, character due diligence undertaken and appropriately signed out, the project and evaluation have been through the investment-led moderation process, consultation with CRHL (where appropriate), reviewed by the GM Investment.[30] Whether supporting proposal, paper author and reviewer (both initials).

Summary of questions for RIF recipients in the monthly reporting template

a. New Zealand Business Number (RB: Yes/No – expect if yes a textbox seeks the number)

b. Business legal name (T) – if sole trader or similar expected for other types

c. Project details: Project title (T), Reference number (N), reporting period – month, year (2xN)

d. Report contact person: First name (T), Last name (T), Phone number (N), email address (T)

e. Key information:

   - Project status updates: most advanced phase of project (RB: pre-design, design, consent, procurement, close out, other); sub-project title and phase currently in (T), approximate percent of project that is completed (per cent box), when is construction start date – day (N), month (T), year (N); when is estimated construction end date– day (N), month (T), year (N); what works have been undertaken in the reporting month (T); what are the planned works for the project in the current month (T); what are the planned works for the project in the following month (T); when was the project delivery plan/schedule last reviewed – day (N), month (T), year (N); how is your project tracking against schedule (RB: on schedule (<30 days behind), delayed (30<x<90 days behind), behind (>90 days

[29] There is also a separate FIAF designed for resilience-focused public infrastructure managed by local authorities.
[30] The GM Investment is the General Manager Investment Management Branch.

behind)); how is your project tracking against budget (RB: on budget (<15 per cent over budget), over (>15 per cent over budget); when was the budget last reviewed – day (N), month (T), year (N); identification of any risks in next 3 months that would negatively impact delivery.

- Project employee details: no. new employees starting work in the reporting month; total number of employees in reporting month; total number of employee hours in the reporting month; number of employees local to the region in the reporting month; total Māori employees in reporting month; how many employees previously on jobseeker support.
- (Y/N) will you be holding or attending any events in the next quarter?
- Financial details: funding spent on the project to date; co-funding spent on the project to date; estimated cost to complete project; contingency remaining for the project; project's account balance (cash available); planned project spend for the next three months; amount paid to local contractors and suppliers to date.
- Upload documents option, including option for supporting documents (progress photos, board reports, media articles, evidence for deliverables)
- Declaration that all information provided is true and correct.

Summary of questions for project completion report

a. New Zealand Business Number (RB: Yes/No – expect if yes a textbox seeks the number)

b. Business legal name (T) – if sole trader or similar expected for other types

c. Project details: Project title (T), Reference number (N),

d. Report contact person: First name (T), Last name (T), Phone number (N), email address (T)

e. Project details; project purpose summary; project background summary; project performance summary; learnings;

f. Variations: option of yes/no/not applicable across cost, time, delivery, benefit, other

g. Project benefits: list the five main benefits, dollar value of benefit, value of benefit, how the project provided the benefit, start year and duration of benefit.

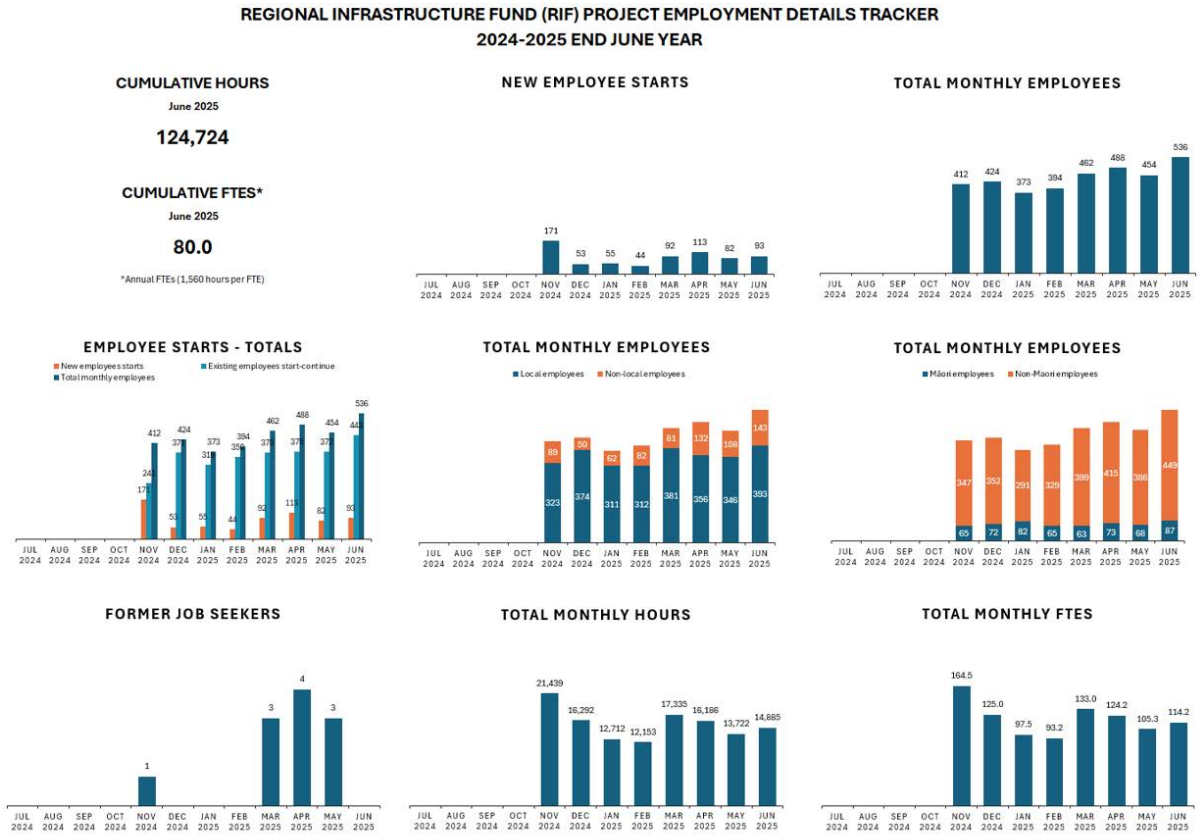
h. Benefits to outcomes; option of yes/no/partial for each of the following outcomes: increase flood protection, increase water security, provide more jobs esp. to previously unemployed, improve access to finance for local firms and Māori, increase private investment in local economies, reduce impacts of natural disaster, protect vital assets and services, strengthen local and Māori economies and communities, increase local innovation, increase local productivity, providing more highly skilled workers

i. Upload documents, incl. option to upload 'other' documents – press releases, media, photos of development phases and completed project.

j. Declaration that all information provided is true and correct.

Appendix F RIF Project Employment 2024-2025

Figure 53: RIF project employment 2024-25



Notes: Cumulative figures are for the whole period, other figures are monthly. One 'Monthly FTE' is equivalent to the number of hours one FTE would do in a month, which is 130.35 hours, based on the official definition of full-time as 30 or more hours a week and the average number of weeks in a month. One annual FTE is equivalent to 1,560 hours. New employees can include all types of employment, e.g. full-time, part-time, permanent, fixed-term, casual, and contract. Figures may be subject to revision for improved methodologies and data. A probable error (transposition of hours for workers) was caught on the return for one project and has been corrected.

Source: Kānoa (by email)

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